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Canadian Mining
News Department
Pages 17 to 19

The Nation's Business

One Interest in Pacific Conference

Mine Development Needs Public's Participation

Storing Wheat Overseas Presents Problems

PACIFIC RATES FOR CABLES EXCESSIVE

A DISTINGUISHED party of British delegates to the Pacific Relations Conference at Kyoto, Japan, arrived in Canada a few days ago and will proceed to Vancouver from which they will sail on October 3rd on the "Empress of Asia."

The British delegates are headed by Lord Hailsham, former Lord Chancellor during the Baldwin administration. Malcolm MacDonald, son of the present Prime Minister of Great Britain and two distinguished proteges of the late Lord Milner, Lionel Curtis and Hon. Mr. Wyndham, are also members of the British party.

Fifteen Canadian delegates from various parts of Canada will join the British delegates at Vancouver and sail with them on the "Empress of Asia." The head of the Canadian party, Hon. N. W. Rowell, sailed two weeks ago so that he might have an opportunity of visiting China and of gathering at first hand some information in Manchuria prior to the Conference.

A member of "The Financial Post" staff will accompany the delegates to Japan and sit in at the conference with a view to gathering for the benefit of our readers information on the Pacific situation from both diplomatic and trade aspects.

* * *

WE have not yet seen the agenda for the Conference, but we hope lower cable rates between Canada and Asia will have an important place on the programme.

The cost of sending a 25-word cable letter from Canada or the United States to Europe is $1 or 4 cents per word. The cost of a deferred cable across the Pacific is 38½ cents a word. The cable rate to Asia is therefore nearly ten times as expensive as the cable rate to Europe. In spite of this handicap, trade between Canada and Asia has increased enormously.

Lower cable rates would still *further facilitate and stimulate trade between Canada and Asia* to the mutual advantage of both countries.

* * *

BUCKETING WOULD INJURE COUNTRY

THE investigation now being conducted in Vancouver into the operations of brokerage houses will be watched with interest by the thousands of persons who have held, or are holding, mining or oil stocks. The police chief of Vancouver has alleged that brokers were guilty of bucketing—that shares ordered by clients were not purchased. There are brokerage houses honestly conducted. The investigation, if it is thorough, will benefit the honest houses, for it will check for a time, the activities of the dishonest houses.

If there is shown to be bucketing on the part of Vancouver brokers, it is probable that the same could be proved elsewhere; Vancouver can not claim a monopoly of a dishonorable practice which is a betrayal of trust.

* * *

DEVELOPMENT of the mineral resources of this or any other country is a hazardous investment under the most favorable circumstances. If there are any considerable number of brokers involved in bucketing practices, the hazards of mining or oil speculation are increased to the point where it is impossible for the average speculator to win. If the average speculator cannot win he will sooner or later withdraw completely from the mining and oil markets, with the result that development of the mineral resources of the country will be retarded indefinitely. At present there do not seem to be enough persons entering this field to replace the many who have become disgusted with the market in the last year or eighteen months.

Honest brokers are primarily interested in keeping the mining market free of practices which mitigate the chances of profit for the investor. The authorities also have some responsibility toward the public, which is entitled to protection from dishonest practice. And the question is of national importance, for without a widespread public interest in mining and oil shares, there can be only a narrow development of the great resources under ground.

* * *

IF BRITAIN ADDS TO GRAIN STORAGE

ONE of the possible projects of the present Labor Government in Great Britain mentioned by the Hon. J. H. Thomas in the course of his visit in Canada was the erection of grain elevators in Great Britain in order to keep on hand supplies of wheat. That is a plan which, from the standpoint of Great Britain might possibly have much to commend itself, but it is not one to which the wheat producers of Canada are likely to lend a great deal of encouragement.

One phase of Mr. Thomas' plan, which was first broached by him in London to a representative of "The Financial Post" three years ago and published in these columns at that time, was that preferred rates for storage might be applied on grain from British Dominions and thus there would be established preference without necessitating an import duty on breadstuffs. This feature of the plan shows that the

(Continued on page 2, col. 4)

COAST DRIVE ON BUCKETING SLUMPS OFF

Vancouver Police Seem to Think Complaints Not Justified

BLAME MARGIN TRADE

President of Exchange Says Ethics of Organization Are Highest in Its History—Authorities Hesitate

From Our Own Correspondent

VANCOUVER.—Intimation by the Vancouver police that they were investigating bucket shop charges here caused a considerable stir among coast brokers, but nearly a week has elapsed since the story of police activity was given out and no prosecutions have been ordered. The general feeling in financial circles is that the storm, if such it was, has blown over.

It is apparent that the charges were directed more against small operators of the transient type who appeared on the scene in the wake of the Turner Valley oil boom, rather than against regular brokers. Chief of Police W. J. Bingham states that none of the larger houses, members of the Vancouver Stock Exchange, are involved. On the contrary, the exchange has offered its fullest cooperation in curbing the operation of bucket shops, if such exist.

Turner Valley Sound

Definite charges have so far not been made and it is considered doubtful whether any names have been specified in complaints to the police who, realizing the complicated nature of the enquiry necessary should drastic action be undertaken, have hesitated to proceed against anyone. The whole affair, it is thought in some quarters, has arisen from charges of a more or less general nature against brokerage houses by some disgruntled former employee of a brokerage house or speculator whose costly held margin was wiped out by recent breaks in the market.

"It is the same after every stock boom," said one member of the Vancouver Exchange. "There are always the jackals who follow the camp to pick up what they can by fair means or foul. Generally speaking the Turner Valley development has been extremely sound and clean and if there have been irregularities they have been rare indeed." The most serious feature of the bucket shop scare is the possible effect of its attendant publicity, in the opinion of S. W. Miller, president of the exchange. Whether or not the publicity is directly responsible, trading in oil stocks at Vancouver has been cut almost in half since first publication of the police probe story.

Says Standards Are High

"We were instrumental in carrying out a campaign against bucket shops two years ago," said Mr. Miller, "and we have lifted the standard of ethics to the highest plane in the history of the Vancouver Exchange. Our seats are worth $50,000 each and we are building business not only for today but for years to come. It is not reasonable to think that we would suddenly change our classification from legitimate brokers to bucketeers and tear down the structure of public regard and confidence we have been trying for years—and successfuly, I think—to establish."

In the opinion of some brokers it is just the old story of some luckless market trader who prefers to blame someone other than himself for his own loss.

In the brokerage circles reports of bucketing are seen as the natural outcome of a slide in oil stocks, which caught many margin traders.

Public Should be Conservative

"If stock prices rise, it is progress and the enterprise of the public that

(Continued on page 2, col. 1)

Tip Top's Factory Nearing Completion

During the first eight months of the current fiscal year the output of Tip-Top-Tailors has been 20 per cent ahead of the previous year. This is a rather striking achievement when it is considered that the energies of the management have been considerably engrossed in the erection of the new factory on the water front in Toronto. The building is now completed and all that remains is to install the machinery and erect the necessary partitions. When the new factory comes into commission, as it is expected will be the case on November 1 next, there is likely to be a still further expansion in business. At present the efforts of the staff are largely circumscribed owing to lack of adequate facilities.

WHEAT SHIPMENT STILL RETARDED BY PRICE SPREAD

Movement from Fort William Mostly to Fill Terminals

From Our Own Correspondent

WINNIPEG.—Under a combination of bearish market factors, wheat prices sank steadily during the past week. World prices declined, but Winnipeg prices declined rather more rapidly so there has been some degree of correction to the extraordinary technical situation that has kept our cash wheat prices so far out of line with all other markets. Winnipeg cash prices are now only a little more than fifteen cents a bushel above Chicago, instead of twenty cents. That is still too great a discrepancy to enable much export selling to take place, but at ten cents over some business might be expected. Our May is about seven cents over Chicago May, and that is considered to be a quite reasonable spread in view of the higher quality of Canadian grain.

It is still the case, as it has been for weeks past, that our wheat is being held at prices above what the world is currently willing to pay. That fact is reflected in the condition of terminal elevators, practically full to overflowing. Some shipments are being made out of Fort William, but mainly to fill up surplus storage remaining in the east. Unless sales for export are soon made, it will become necessary for railways to embargo shipments, as there is more than enough grain now on the way to terminals to fill up both the elevator space and the railway storage tracks. Some relief is being obtained by the loading of vessels for winter storage, something previously unheard of at this time of year.

Public Not in Market

The fall in prices of the past week has been due, not so much to liquidation of lines of wheat being held for higher prices, as to the failure of additional support to come into the market to take care of such new grain as being sold. The general public are not in the market at the present time. The large market operators who have been carrying the principal burden appear to have been willing to hang on to what they had, but on the whole to await the working out of the bearish situation before increasing their commitments.

With May wheat at the low point since that option came on the market, and 20 cents a bushel below the season's high, prices are rapidly nearing the point where wheat must be considered to be cheap in relation to world needs and world supplies for the coming season. Market ex-

(Continued on page 2, col. 2)

Int. Proprietaries May Pay an Extra Dividend

The directors of International Proprietaries are expected shortly to pay a participation dividend to the class "A" shareholders in addition to the regular dividend of $2.60 per share. There now only remains one more dividend date, that of December 15th, upon which this may be done in the current year.

The company has outstanding 225,000 shares of Class "A" stock and 112,000 shares of class "B" stock, both of them of no par value.

Under the participation provision, it is provided that, in addition to the cumulative preferential dividends at the rate of $2.60 per annum, the class "A" stock will be entitled to participation dividends to the following extent, viz.: As often as a dividend is declared on Class "B" stock a sum of money equal to twenty-five per centum (25 per cent) of the total sum of the moneys payable on all the shares of Class "B" stock pursuant to such declaration shall be set aside and declared as a non-cumulative participation dividend on the Class "A" stock payable on the then next quarterly preferential dividend date, provided that the holder of a Class "A" share shall not be entitled to receive in any one fiscal year of the company by way of participation dividends more than eighty cents (80 cents) per share. This participation feature makes possible a maximum annual dividend return of $3.40 per Class "A" share.

Incidents in Argument Between Movie Czars

Résumé of Occurrences as Revealed in Statements Published by Killam and Nathanson

I. W. Killam

Denies knowledge of attempted purchase of British Gaumont Company.

Was not averse to sale of Famous Players to Gaumont, if British controlled.

Claims no formal offer for Famous Players made to president.

Opposed to sale to American controlled British Gaumont if offer had come before directors.

Claims subterfuge proposed to get around trust agreement.

N. L. Nathanson

Unsuccessful in securing Gaumont, due to prior arrangement in which it had sold block of stock to Fox Company.

Secures offer of $75 a share for Famous Players stock from Gaumont.

Claims agreement between other two trustees prevents offer being submitted to shareholders.

Resigns as managing director.

MAY REVAMP PETER LYALL CAPITAL PLAN

To Finish Contracts Under Aegis of Liquidator

CLAIMS ARE PENDING

Banks Are Largest Creditors of Company Now in Liquidation

From Our Own Correspondent

MONTREAL.—Reorganization of the capital structure of P. Lyall & Sons Construction Company may be effected when the company is removed from the aegis of the liquidator. It is thought that the company will carry out its present contracts, and some definite announcement as to the future will be made at the meeting of shareholders and creditors to be held on October 8.

Lyall has a substantial volume of work on hand, but its liquid position is such that financing of operations had become impossible. The balance sheet published as at March 31, 1929, revealed bank loans totalling nearly $900,000, and no cash on hand. It is understood that the banks are the company's largest creditors.

Delay in payment of claims against the government, and losses sustained in the Back River contract, are quoted by the management as being responsible for the present situation.

Has Important Claims

The outcome of these claims has a distinct bearing on the company's position from a shareholder's point of view. Further, completion of the steel gates contract on the Welland canal will release payments withheld pending final tests, as well as the security deposits on the work.

The comparatively small capitalization of P. Lyall is important. The company has no funded debt; there are 4,751 shares of preferred stock, par value $100, and 68,998 shares of no par common outstanding. Thus it seems that common shareholders may get something for their holdings in the future.

Fixed assets of the company total over $2,000,000. A substantial portion of this is included in equipment taken over from the government in connection with the Welland canal contract, and payments on this has proved a drain on earnings in the past. This equipment is now nearly all paid for, though it is difficult to estimate what cash value the equipment will have in the event of a sale of the property.

Seeks Reimbursement

Lyall Construction has two claims against the Dominion government, both in connection with work carried out on the Welland Canal.

The larger claim, which is said to approximate $750,000, concerns a contract awarded the firm for construction of sections four and five of the Welland Canal. A clause in the contract, it is stated, gave the Department of Labor the right to vary wages in accordance with conditions.

Since the contract was awarded P. Lyall has instituted a claim against the government on the ground that the tender which, when submitted, did not allow for the increases in wages, and that it should be reimbursed accordingly.

The other claim approximating $100,000 arose through a difference of opinion regarding the removal of material in construction on the canal. Apparently a quantity of rock was encountered which increased the cost of removal, and reimbursement is sought.

In the first case it is understood that no decision has yet been given, in the second the Exchequer Court is stated to have been of the opinion that some adjustment should be made. Thus the outcome of these claims has a definite bearing on the ultimate position of the company's shareholders.

P. Lyall has some substantial contracts on hand. A contract for the erection of the new Customs House in Toronto was awarded to the company a short time ago, while work on the Welland Canal, and in Ottawa and Colombia is proceeding.

President's Statement

Liquidation of the P. Lyall & Sons Construction Company had appeared as almost inevitable before the official announcement was made. The company's poor financial statement, its serious losses on two contracts and its recently adopted stock dividend policy, all pointed to a precarious financial situation.

The stock sold steadily down, till on September 19 it was finally suspended from trading on the Montreal Stock Exchange.

William Lyall, chairman of the board of directors, issued the following statement:

"Owing to the loss sustained on the Back River contract and to the delay in securing payment of substantial claims against the Federal Government the company finds itself unable to finance its current operations.

"For the purpose of enabling the company to carry on pending settlement of claims and permanent financial arrangements, it was found necessary to place the company in liquidation and application has been made to the Courts for that purpose.

"A meeting will be called without a delay at which all information as to the company's position and prospects will be placed before the shareholders."

Poor Dividend Record

The history of the company has not been a profitable one from the point of view of the common shareholder. Incorporated in 1911, an initial dividend of 2 per cent was paid in 1917, in 1918 another dividend was paid of 2 per cent and quarterly thereafter till 1921. Another dividend of 1 per cent was paid in 1922, and none thereafter till 1928 when the new common shares were placed on an annual dividend basis of $3.

This rate was short lived. Three disbursements of 75 cents each were made, to be followed by two stock dividends of two per cent.

Hearst Approaching Newfoundland Group

From Our Own Correspondent

MONTREAL. — That the Hearst interests are gaining a foothold in Newfoundland is the report current this week from that Dominion. According to the rumor, the Hearst interests are reported to have made an agreement for the purchase of the Gander property of the Reid Newfoundland Company. The report states further that the deal would depend on a Government guarantee of $15,000,000 together with timber rights in Labrador.

NORTH STAR MAY REPORT $2 FOR YEAR

Gasoline Distributor in West Experiences Good Trade

By Staff Editor

WINNIPEG. — One of the most sensational advances in Canadian stocks in recent years was the rather rapid climb some time ago of North Star Oil. After some years of little activity marketwise, selling between $1 and $3, these shares last year moved rapidly up to $10 and this year to $26.50 and are now selling at about $21 on the Toronto curb and on the Winnipeg Stock Exchange.

The rapid advance was a recognition of the fact that the company has gradually been getting a foothold in the western oil and gasoline market. After reaching a certain point it moved rapidly ahead and is now regarded by those in Western Canada who know it best as having left its troubles behind.

Last year's earnings showed considerable increase amounting to $1.87 a share as compared with only 50 cents in the previous year, 37 cents in 1926 and only 25 cents in 1925. This year's sales and earnings have both showed expansion and, unless heavy inventory losses have to be taken as a result of a slump in crude prices later in the year, are likely to exceed $2 for 1929.

The company started off with a heavy goodwill account. In 1922 this stood at just under $800,000 but it has been reduced to $300,000 and it would not be surprising if the whole sum were written off this year.

Operates Refinery

The company serves chiefly the Western farmer. It has tanks at dozens of western railway stations. In the early days this policy of expanding in the country rather than in the cities was adopted because of the company's limited cash resources. It was cheaper to build stations in the country than in the city. Sales were chiefly to local garages and to farmers. But the policy adopted through necessity has proven profitable and the company even now is not strong in western cities.

The company operates a small refinery in Winnipeg with a capacity of 600 barrels a day, but this is not sufficient to manufacture all the gasoline it markets and it buys large quantities of gasoline from other producers.

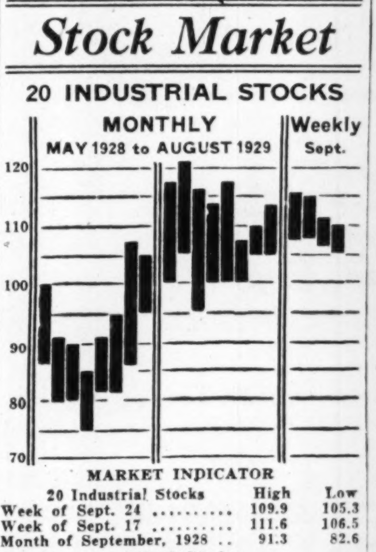
The stock has gradually shifted to Western Canada in recent years. Most of the preferred and a large amount of the common formerly held in eastern Canada have come westward. The management is regarded as excellent.

Commercial Failures Show Improvement

From Our Own Correspondent

MONTREAL. — Although commercial failures in Canada for the month of July showed an increase over July, 1928, the situation shows considerable improvement in that the increase for the month is not nearly so great as has been the case in the previous months of the year. The cumulative record of failures to date for the first seven months of the year show total failures of 1,302, as against 1,107 during 1928 and 1,000 during the first seven months of 1927. The low point was reached in 1926 with 994 failures in the first seven months of the year while the high year was 1922 with 2,196. The liabilities of assignors showed a slight decrease for the month.

Stock Market



MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of Sept. 24	109.9	105.3
Week of Sept. 17	111.6	106.5
Month of September, 1928	91.3	82.6
8 Bank Stocks		
Week of Sept. 24	293	288
Week of Sept. 17	291	288
Month of September, 1928	310	297
10 Public Utilities		
Week of Sept. 24	121	117
Week of Sept. 17	121	118
Month of September, 1928	113	106

U. S. CONTROL OF SUPERIOR VERY LIKELY

Big Soo Corporation Has Probably Gone Back

PHILADELPHIA GROUP

But Little Change Expected in Line-Up of Canadian Officials — Mythical Group Gone

From Our Own Correspondent

MONTREAL.—Apparently control of Lake Superior Corporation rests once more in the United States.

Just what has happened to the mythical group who held the reins a year ago is hard to say. The obvious explanation is that having watched the stock rise from $5 to $40 a share, they have cashed in on their paper profits and quietly disappeared.

Officials of the company will not discuss the situation, but information received by "The Financial Post" indicates that in all probability the control of the corporation as represented by the majority of the common shares outstanding, has once more returned to Philadelphia, where it rested for so many years.

At the moment there is no way of definitely ascertaining whether this is the case or not. Undoubtedly, the largest blocks of stock are now held in United States chiefly under Philadelphia account. Some of these, of course, may be held for Canadian owners whose identity remains undisclosed, but even taking this into consideration there seems very little doubt that if it came to a showdown, American holders would have the upper hand. Therefore, although the transfer books of the company closed last week prior to the annual meeting, which will be held on October 3, the fact that a considerable amount of stock is held in the names of various brokerage houses rather than for individual accounts precludes the possibility of an absolute check-up. The only possibility of a showdown will be when the company comes to issue new shares, as called for in its plan for refinancing, subject to the approval by shareholders next week of the agreement with Algoma Central.

Not Unfavorable

The fact that control probably does rest in the United States, need not be considered as an unfavorable portent. Advices received from Philadelphia this week indicate that the majority of the big Philadelphia holders have decided to throw in their lot with the present officials and directors and endorse the settlement plan which will be submitted next week. In other words, it looks as if, for the moment at least, the Canadian board and the United States shareholders are showing a united front in finding a solution to the company's problems.

Just how long the Canadian control existed is problematical. Obviously it was sufficiently powerful to cause the resignation of W. H. Cunningham, of Philadelphia, as president of the corporation and of five or six other Philadelphians who were on the board a year ago. As now constituted, there is only one United States representative on the board in the person of H. C. Coleman, of Philadelphia. The other ten members are all Canadians and all the officers are Canadians.

May Add to Board

It would not be surprising therefore if at the forthcoming annual meeting additional representation of perhaps a substantial character were demanded by the Philadelphia shareholders who may still have it in their power to guide the destinies of this huge enterprise, although they probably realize that it is in the best interests of the company that it develop as much as possible under Canadian aegis.

Canada-South America Air Mail is Now Possible

From Our Own Correspondent

MONTREAL.—Air mail connection between Montreal and Venezuela is the latest development announced by the Post Office department. The service is weekly, starting from Cristobal and the air mail fee is 40c. for each half ounce or fraction to be pre-paid by Canadian postage stamps in addition to the ordinary Canadian postage.

The air mail will go to Miami, Cristobal, Duracao, Dutch West Indies and from there by boat to Venezuela.

Next Budget to See Steel Tariff Changes; Preference to Go Up

Cabinet Reported as Decided to Deal With Question

200 ITEMS INVOLVED

General Policy Will be to Encourage Empire Trade—Imports from U.S. Will be Affected

From Our Own Correspondent

OTTAWA.—The next session of parliament promises to be of great importance from the viewpoint of tariff changes. Hon. J. A. Robb, it is announced here, has instructed the Tariff Advisory Board to go through the entire iron and steel schedules of the Customs Act—numbering about 200 items—and, if necessary, to redraft each item.

The decision of Mr. Robb, apparently, is to have the language of each item discussed openly with the iron and steel manufacturers, and the representatives of the consumers. Where agreement on wording is reached there would be no reason why the change should not be made in the next budget. However, where agreement is not reached, the government would have the evidence given by both sides before the Tariff Board, and would have to reach a decision and take the responsibility for it in the house of commons.

To Restrict U.S. Imports

There is a clearly defined movement among cabinet ministers to bring the tariff question to the front and to follow a policy designed, at once, to stimulate British trade and to restrict imports from the United States. The proposal, apparently, is to take the iron and steel schedules and to select every item which covers an article not manufactured in this country. This item would be amended by raising the general tariff duty —which would hit the United States —and, if considered advisable, lowering the rate of duty under the British Preference. The class of trade which would be most vitally affected by such a policy would be machinery of various kinds.

If the government is serious in this policy an enormous volume of trade may easily be disturbed. In the fiscal year ended March 31 last, the imports of iron and steel manufactures, excepting automobiles and parts thereof, were $219,733,462, and of this total only $17,410,567 came from the United Kingdom. Of the balance, about 80 per cent came from the United States.

Strengthen Canada's Case

It is believed that if such a policy were adopted in regard to iron and steel products, the position of Canada at any Empire Economic conference which might be held next year, would be impregnable. The British

(Continued on page 2, col. 4)

A. J. Freiman Adds Two New Floors

A. J. Freiman, Ltd., which has operated a department store in Ottawa very successfully for the past thirty years, has completed two additional floors to their building on Rideau Street in that city. Two new departments have been included in the store, one dealing in groceries and the other in boots and shoes.

During the current fiscal year, which terminates on January 31 next, both sales and profits of the company are reported to have been in excess of any previous year in its history.

DIRECTORS URGE M. ROYAL HOLDERS TO ACCEPT PLAN

Big Hotel Merger Has Been Finally Approved

From Our Own Correspondent

MONTREAL. — Shareholders of the Mount Royal Hotel Company are strongly urged to exchange their shares in that company for stock of the new United International Hotel, Inc., according to a unanimous statement issued by the directors of the former company.

The merger, as finally approved and amended, includes 12 hotels, of which four are Canadian properties and the remainder are in the United States. These hotels have a combined capacity of over 6,000 rooms and include the Clifton House, Niagara Falls, Ontario; the Royal Connaught, Hamilton, the King Edward at Toronto and the Mount Royal at Montreal.

In addition the plan contains an option to acquire at any time within the next ten years all or part of the outstanding stock of nine hotel properties now in the United Hotel Chain, having a capacity of well on 4,336 rooms and including one Canadian property, the Prince Edward at Windsor Ont. The pro forma balance sheet of the new company shows assets of $40,980,000, of which over $35,000,000 are in lands, buildings and permanent equipment, etc.

Plan of Exchange

The plan as far as the Mount Royal Hotel is concerned calls for the exchange of preferred stock in the Mount Royal on the basis of one share of preferred for four shares of the capital stock of the new company, and one half share of new stock for each share of Mount Royal common. All certificates must be deposited by October 15, 1929.

The following reasons are given by the directors of Mount Royal Hotel for their complete acceptance of the plan.

(1) Greater earning power combined with the diversity of risk through having a variety of successful properties with proven earning power underlying the investment.

(2) An adequate financial structure making possible (a) additional resources for expansion; (b) adequate working capital with the permit of all operations on a cash basis; resources for the funding of underlying obligations.

(3) Active market through listing of securities on the New York Stock Exchange.

(4) The agreement of Dillon, Read & Co. to be prepared during the next 10 years to act as financial advisers of United International Hotels, Inc., affording strong banking affiliations.

(5) An independent board of directors obtained from the United States and Canada, consisting of men selected because of their outstanding position in the business and financial world.

Share in Earnings

6. Participation in all net earnings of the parent company, capitalized as outlined in the plan, by stockholders now limited to a six per cent return on present preferred stock holdings.

It is the opinion of the majority of the Board of Directors that the new company will be able to place its com-

(Continued on page 2, col. 2)

Canada Power and Paper Offers Shares, Debentures, for Wayagamack, Pt. Alfred

MONTREAL.—Letters were forwarded this week to shareholders of the Wayagamack Pulp & Paper Company and the Port Alfred Pulp & Paper Corp., on behalf of their respective boards apprising them of an offer that is being made them by Canada Power & Paper Corporation looking toward the acquisition by Canada Power and Paper Corp. of all the common shares of the first two named companies.

The directors of both companies express their satisfaction with the offers and indicate that the holders of the majority of the outstanding common shares of both organizations have declared their intention of accepting the offers.

Under the terms of the offer to shareholders of Wayagamack, they will receive for each of their present shares one and one-half shares of Canada Power stock and $50 principal amount of Canada Power debentures. The offer to Port Alfred common shareholders is 2¾ shares of Canada Power common stock for each share of Port Alfred common.

Formal offers to both groups of shareholders will be mailed soon by the Montreal Trust Company on behalf of the Canada Power and Paper Corp.

Directors Agree

The letters, which were forwarded to the shareholders of both companies last night, say, in part:

"The acceptance of these offers by holders of a majority of the outstanding shares for which offers are being made will result in bringing under unified control and operation the mills operated by Canada Power & Paper Corp., at Grand'Mère, Shawinigan Falls and Cap de la Madeleine, by Wayagamack Pulp and Paper Company, Ltd., at Three Rivers and by Port Alfred Pulp and Paper Corp., at Port Alfred, with a combined daily capacity for sale of paper and allied products in excess of 2,400 tons.

"Your directors consider that by combining the operations of the properties of the three companies involved, the position of each will be materially strengthened.

"Holders of a majority of the outstanding shares of your company have declared their intention of accepting this offer and, after mature consideration, your directors are satisfied that the offer is greatly in the interests of the shareholders, and unhesitatingly recommend it for your acceptance."

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COAST DRIVE ON BUCKETING SLUMPS OFF

(Continued from page 1)

causes it—if the market breaks, the broker is responsible," one brokerage office official remarked. He produced market letters and bulletin board comment of his firm to show that what amounted to a campaign against margin trading had been carried out for many months; and that client had been repeatedly warned that prices could not go up indefinitely.

Brokers of Vancouver are unanimous in saying that margin trading by speculators who deliberately go into the market beyond their depths is responsible for most of the grief attaching to the brokerage business.

"If the public could be educated to buy its stock outright or to margin only what it can afford to take care of in case of a break in prices, stock market losses would be greatly reduced—and there would be fewer recriminations or charges against brokers by disgruntled losers," another broker said.

Attorney-General R. H. Pooley, has refused to take direct action, preferring to leave the case in the hands of the civic authorities.

Hears of Manipulation

As understood by Mr. Pooley, the cause of complaint is the alleged manipulation of stocks by a small ring of operators. According to the department's information, a few persons owning a block of stock in a company have sold and resold this stock among themselves at decreasing figures so as to create the impression among investors that the stock is becoming less valuable. The effect of this has been to bear the market. Taking advantage of this drop in prices these operators, it is alleged, have sold a large block of stock among themselves at a higher figure. This has caused the market to rise again, when they have unloaded their entire holdings at a profit.

Bearing and bulling of stocks in this way, the department holds, is illegal. Whether such operations actually have taken place or whether the law has been violated, the department does not know.

The so-called bucketeers, according to the complaints made to the police, deal in margin transactions, but have no stock for regular transfer and have no intention by the nature of the deal of making transfers. No such process of trading is possible, of course, under the rules of the exchange.

DIRECTORS URGE M. ROYAL HOLDERS TO ACCEPT PLAN

(Continued from page 1)

mon stock on a regular dividend basis, but that at the outset this dividend on four shares of such stock may be less than the present dividend of $6 per share of preferred stock, although the earnings on such four shares should be in excess of $6 and the actual dividend paid on the preferred and common stock of these properties in the year 1928 amounted to approximately $6 for four such shares.

If, however, the earnings of the new company for the entire year continue at the increase over those of the same properties for 1928 which has been demonstrated for the first five months of this year, it is the opinion of the majority of the board of directors that the new company may be able to pay a dividend upon four shares of its common stock aggregating $6 per share.

7. The basis of exchange of stock now owned by United Hotels Company of America in the subsidiary or controlled companies is in each instance, the same as the basis of exchange offered to all other stockholders. The plan is not a recapitalization or reorganization of United Hotels Company of America, but the new company will be independent, and United Hotels Company of America will own only 23 per cent of its stock, upon consummation of the plan and the exchange by all minority stockholders of their holdings for stock of the new company.

8. Without considering further contemplated expansion, United Internation Hotels, Inc., will upon completion of the plan succeed United Hotels Company of America as the largest single company engaged in the operation of hotels in the United States and Canada.

Toronto Directors Agreeable

A committee for the individual stockholders of the King Edward Hotel, consisting of James H. Spence, C. E. Calvert, and D. H. McDougall, have written a letter to the shareholders urging them to approve the merger with the United International Hotels Company, under the terms of which four shares of the new company will be exchanged for each share of King Edward common.

United International Hotels, Inc., is to make application to list its common stock upon the New York Stock Exchange.

WHEAT SHIPMENT STILL RETARDED BY PRICE SPREAD

(Continued from page 1)

porters are anxiously watching to see at what point Europe will become sufficiently interested to commence buying now, instead of postponing her purchases until supplies of cheaper wheat in other countries are exhausted.

Change May Come Soon

The market appears at the movement to be subject to the maximum possible of bearish influences. The weight of the carry-over, and the hedging pressure or the new crop can hardly get much greater, while actual production is known in producing countries of the Northern Hemisphere, and Argentine and Australian crops can be fairly well guessed at. There does not seem to be anything more the market would have to bear unless stock market developments should occur that would make it necessary for some of the heavy holders to liquidate. It has not yet been established to what point these bearing factors can bring prices without before striking a resistance level at which buying will take place, induced by the actual cheapness of wheat. Such a point may very soon be established. Once that occurs, the statistical situation, which points to the probability of higher prices later in the year due to comparative small total world supplies, will begin to attract attention once more.

For several months past the focus of interest of the wheat market has been in the weather, and its possible influence on future wheat supplies. It has shifted now largely from uncertainties to certainties. A big carry-over on the North American continent developed from a possibility into a fact. The crop of the United States, while fairly large, turned out to be considerably smaller than that of last year.

The crop of Western Canada is now known definitely within a comparatively small margin of error. In the Argentine the outcome is still a matter of some doubt, but a large crop seems impossible, and on the other hand the drought there has been sufficiently broken to make anything approaching complete failure improbable. The Australian crop will be much smaller than last year.

Will Need Carry-Over

The whole situation can fairly well be summed up by saying that it is unlikely that the wheat production of 1929 will meet the world's requirements for the ensuing year, and that the large carry-over from last year will be needed to make supplies balance the demand. By next spring, therefore, world supplies may be expected to be down to a smaller level than for several years past. Under such conditions prices can be expected to hold at levels above those which prevailed when there was a super abundance of supply.

But immediately, there is a lot of wheat in the world, and while Canadian holders still show a remarkable willingness to keep out of the market and retain their supplies against future needs, wheat from other countries is actually being pressed on the market, and buyers are naturally selecting the wheat that is cheapest. The Argentine surplus from last year is still hanging out, although already over 200,000,000 bushels have been shipped. Continuance of shipments at the rate of 5,000,000 bushels or more a week leads to the belief that the Argentine must have produced more wheat in 1928 than was believed. It seems hardly possible that such large shipments can continue much longer.

France Has Export Surplus

France has astonished both herself and the world by producing an extremely heavy crop, more than enough for a year's consumption, and with an export surplus in sight. Consequently French prices have been falling rapidly, and both flour and bread have become cheaper.

In other European countries total production will run somewhat less than last year, but the crops were nevertheless good. European millers are employing native wheats at an unprecedented rate at present, and if they are going to have to use Canadian wheat some months from now, they are quite content to wait until the actual need arises.

Some market observers seem quite content with the situation. They reflect that some 10,000,000 bushels of wheat are being eaten up every day in the world, that total supplies are being gradually worn down, and that sooner or later importing countries must come to Canada for supplies, and that the greater the exhaustion of other supplies the greater will be the demand for Canadian wheat when it does come.

Other observers are getting a little uneasy. Their point of view is that it is dangerous for Canada to remain so long out of the world market. From the point of view of total return for our crop, they would consider it better for a good deal of our wheat to be getting used up each month, by mixing with wheat from other countries.

NEXT BUDGET TO SEE CHANGE IN STEEL TARIFF

(Continued from page 1)

manufacturers would receive benefits from this opening of the Canadian market to their products and the Canadian government would be able to bring pressure to bear for the granting by the United Kingdom of worth while trade advantages in the Mother Country. It could be said, for example, that the tariff revision of 1930 was but the first step of a possible complete tariff revision and that the Canadian parliament, no doubt, would be willing to carry out this wider revision when it became evident that the United Kingdom appreciated the advantages already conferred upon her.

However, apart altogether, from any complete revision of the iron and steel schedules along this line, there appears to be little doubt that the government finally will take action in regard to the tariff items affecting Canadian iron and steel manufacturers. These manufacturers were among the very first to ask for tariff relief from the Tariff Board and the investigation into their applications has been prolonged year after year, without appearing to get anywhere. The trend of policy in this regard should become evident when the Board resumes the hearings on iron and steel in October.

NATION'S BUSINESS

(Continued from page 1)

development of Empire trade is in the mind of at least one Labor statesman.

If either the British Government or British importers desire to buy wheat and hold it in storage no one in this country will have the slightest occasion to object. But it will be another thing entirely if the storage space is erected and interests on this side are invited to place grain in storage until it may be required.

* * *

THE storage of wheat for many months is one of the necessary incidents in the international trade in bread-stuffs. We have developed an extremely economical technique in the handling of grain which would take a long time to duplicate elsewhere. Interest charges are a matter of importance, for both the amount and cost of money to carry grain are less before than after freight costs have been incurred.

In the past Canadian exporters of wheat have found it extremely risky to start grain overseas before it is sold, and importers on the other side have found it equally dangerous to buy without knowing just where the grain is going. The British miller is quite shrewd, and has a keen eye for a bargain, and to put grain under his nose that is not yet sold, and must be soon sold to him and to no one else, is not a means of securing satisfactory bids.

* * *

FOR a country that imports as much food as does Great Britain it is really remarkable that storage facilities are so small. The coming of the airplane and the air ship may create greater dangers to the uninterrupted flow of such supplies in the case of war than ever did hostile navies in the past. Mr. Thomas may have this in mind. But anything more than a few weeks' supply would entail a great investment, not only in storage facilities, but in the food itself.

Another possible reason for desiring such reserves would be to insure cheaper grain, and to prevent prices soaring by a display of vast quantities of wheat on hand in reserve.

Proponents of the idea have talked, just as people on this side of the Atlantic, about the advantages of stabilizing wheat prices. When Nature stabilizes wheat yields it will be time to talk of stabilizing prices. In the mean time there will be price fluctuations, annoying as they may seem when they appear to go against our immediate interests. High prices, when the producer has to pay them, serve his interests by persuading more people to attempt to grow more wheat for his use the next year. Low prices similarly serve the producer by forcing wheat into wider channels of consumption, and creating a demand that may persist in later years.

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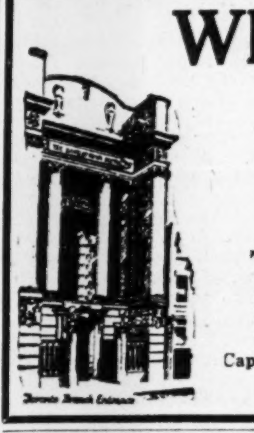

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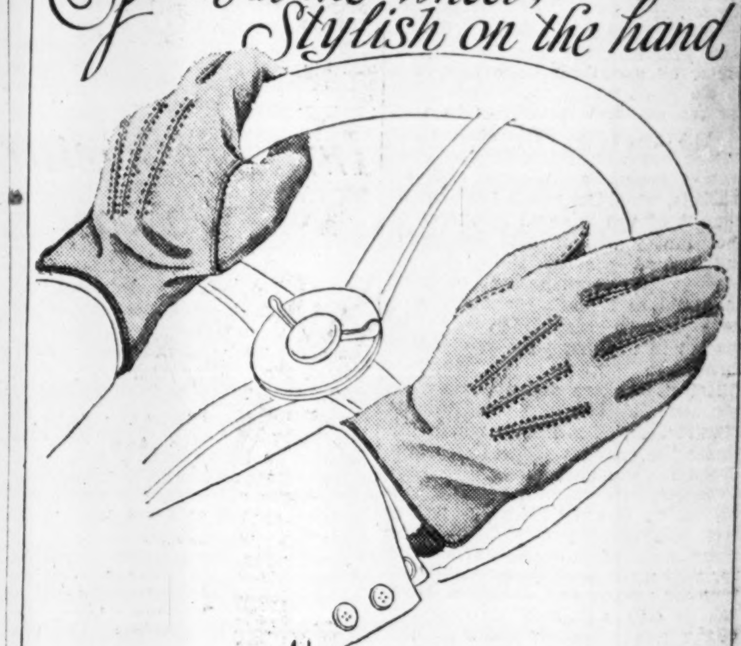

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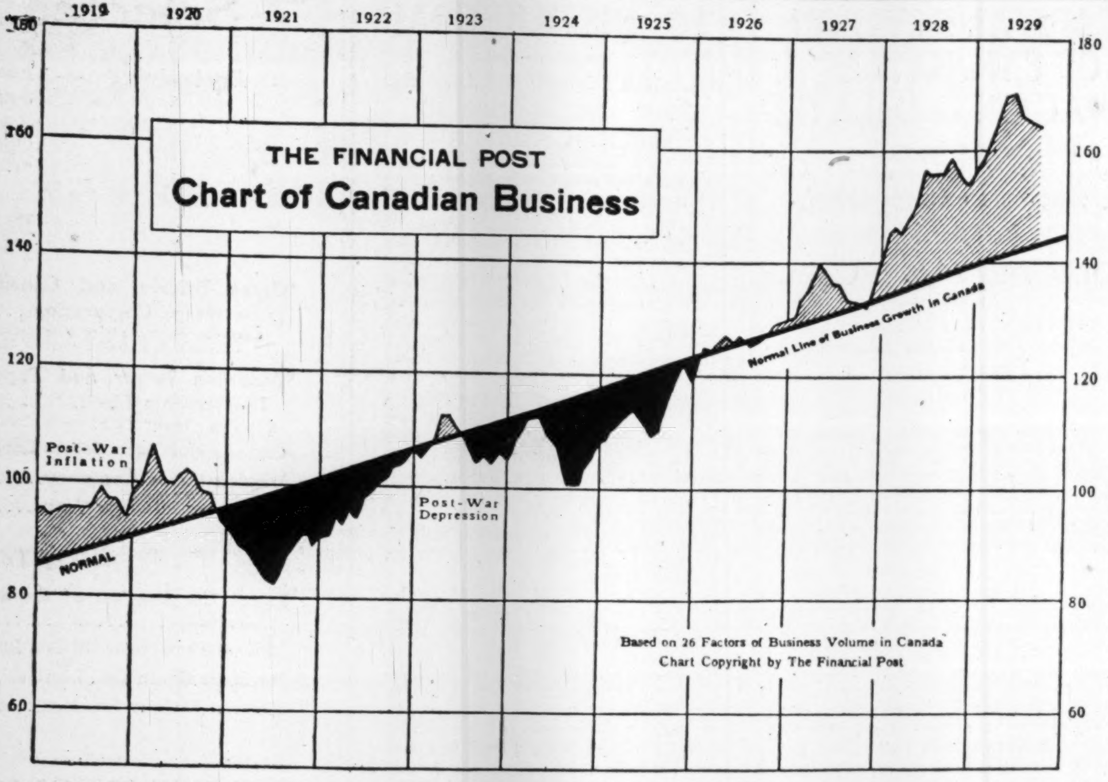
Canadian Trade Maintains High Level



The output of Canadian industry averaged moderately lower in August than in the preceding month. Declines were shown in the production of motor cars and newsprint and in the imports of raw cotton presumably reflecting reduced operations in the cotton division of the textile industry. The output of pig iron was at a new high level and most minerals and metals were marketed in greater volume. The increase in the production of electric energy was fully up to expectations. The reduction in the index of employment after seasonal adjustment, though slight, serves to confirm the trend of general business depicted in the adjoined chart.

August Business Shows Slight Drop from July

Iron and Steel Production at Record Despite Lower Output of Automobiles—High Level of Trade May Continue

By SYDNEY B. SMITH, Ottawa

A mixed situation in industrial production developed during the latter part of the summer, considerable recession being shown in some lines while further expansion was attained in other directions. An index of the volume of general business applying to 26 factors essential to the economic progress of Canada, was 164.1 in August compared with 165.8 in the preceding month. This indicates that business operations were nearly maintained in the last month for which adequate information is available.

In making a retrospective study of the trend of business in the last two years, the striking feature was the unprecedented expansion during the early months of the present year. The rapid growth in 1928 was considered spectacular at the time and in January when the business activity of the present year was being contemplated by economic forecasters, it was thought in view of the development recorded during 1928 that further expansion could scarcely be expected and that it would be highly satisfactory if the high levels of 1928 were maintained and the gains of that year consolidated.

Recession Was Expected

The brightest hopes of that period were surpassed by the business operations from March to May of the present year. Most of the chief industries, favored by brisk demand, operated at a higher standard than at any preceding time. The pace set by many of these industries was beyond all precedent, and it is not surprising that in some cases production exceeded demand schedules leading to recession in operations during the summer.

A notable example of recession in the summer following a maximum level of operations during the early months of the year was the automobile industry. During the first seven months of the present year the production of cars and trucks in Canada was 205,800 units compared with 150,200 in the same months of 1928. This increase of 36. p.c. contributed to the excellent showing of the business index in the early part of 1929. The decline in August in the output of cars was considerably greater than indicated by seasonal tendencies, the total dropping to 14,214 units, the lowest for any month this year. The production in the same month last year was 31,245 units.

Though employment in textile mills and factories is at a higher level than on September 1 of last year, some recession is shown from the working forces engaged during the first part of the year. For the last two months the imports of raw cotton have been below the records of the early part of the year even after seasonal adjustment.

Iron and Steel Active

The output of newsprint in August may be considered satisfactory in spite of a moderate recession from the level of the preceding month. The production of 225,873 tons compares favorably with the 200,656 tons produced in the same month last year. The export of planks and board showed an encouraging increase in August, the total at 185,691 M. ft. being considerably greater than in any other month this year.

The records of the iron and steel industry in August were especially brilliant, the output of pig iron being greater than in any other month in the history of the industry. It is not often that the output has exceeded 100,000 tons, while in the month under review the production was 112,500 tons.

As an additional blast furnace was blown in at Sydney there are now nine furnaces in operation located as follows: three at Sydney; three at Sault Ste. Marie; two at Hamilton, and one at Port Colborne. Orders for rails and railway equipment insure active operations in the industry for a considerable time.

Petroleum Imports are Record

Another industry which continues to show consistent expansion in petroleum refining and distribution. The importation of 117,696,763 gallons of crude petroleum, the largest amount in history, was one of the factors indicating the rapid growth of the oil industry in the current period. The cumulative growth in automobile registration has contributed to the transformation of the oil industry, and the growing use of the internal combustion engine in aviation will contribute to the same end.

Mineral production showed a gain in August, the marketings of most of the prominent metals and minerals being in greater volume. Silver exports and receipts at the Royal Mint were 2,232,000 ounces compared with 1,324,000 ounces in July. Exports of copper were nearly 25,000,000 pounds compared with 18,800,000 pounds in the preceding month, and nickel exports showed moderate increase. The production of coal was in greater volume and an increased amount of asbestos was shipped to external markets. The increase in the mining index over July was about 7 per cent and the employment in mining also showed considerable expansion on September 1.

The preliminary contract for a portion of the Beauharnois canal and power development reported at $10,000,000 served to maintain the record of contracts awarded in August at a slightly higher level than in the preceding month. The aggregate of $58,600,000 in August was 48 per cent greater than in the same month of last year. In spite of adverse monetary conditions the construction industry has enjoyed a very active season during 1929 indicating the strength of the demand for expansion. Residential building has recently shown some recession, although building permits issued by 61 cities were valued in the first 8 months of 1929 at about 16 per cent greater than in the same period of 1928.

Further evidence could be produced to show that many lines are showing further expansion at the present time but that the dropping off in other directions, more than counter-balanced last month the favorable developments, resulting in a moderate recession from the level of July. The crop yields of the west are lower than for some years and the decline in volume will adversely affect a large number of statistical factors during the next twelve months.

But expansion in mining, power and transportation developments will tend to maintain the general level of material progress at the levels attained in the last two years.

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New American Unit of I.P. Comes Into Production Soon

From Our Own Correspondent

MONTREAL.—Within one week, the new kraft mill of International Paper Company, at Mobile, Alabama, will be put into operation. The mill will produce 200 tons of sulphate pulp and 175 tons of kraft wrapping and bag paper per day. Power and steam will be supplied by the Southeastern Production Company.

The plant is equipped with two 211-inch Fourdrinier machines and one 172-inch Yankee.

N. BAWLF GRAIN REPORT REFLECTS 1928 WHEAT CROP

Earnings Were Equal to $5 a Share on Common

From Our Own Correspondent

MONTREAL. — Earnings of N. Bawlf Grain Company for the year ended July 31, 1929, were substantially higher than those of the previous twelve months period. The recent financial statement covers the first full operating year of the present organization which was formed in June, 1928, and reveals earnings of $5 a share on the common stock, after all deductions, as opposed to earnings of about $3 a share in the previous year.

A comparison of income accounts is not possible, since the company did not publish a complete profit and loss account for the fiscal year ended July 31, 1928. However, from official figures available, operating profits for the past year totalled $605,751 as opposed to $465,902 in 1928.

The balance sheet shows a substantially improved position. Cash stands at $409,914 as opposed to $31,631, inventories are valued at $515,035 as compared with $1,136,993, and fixed assets are higher with additions made to country elevators and terminal elevators, totalling $120,000.

In liabilities, bank loans are conspicuous by their absence, whereas they stood at $629,741 in the previous year. Sinking fund operations have reduced the outstanding first mortgage bonds of the Bawlf Terminal Elevator Company by $30,000 to $525,000. A new special reserve account of $40,000 makes its first appearance in the balance sheet this year.

Profit and loss surplus totalled $1,067,788 as opposed to $807,736. Despite the substantial additions to fixed assets during the past year, working capital has been increased from $620,229 to $881,451, with a ratio of current assets to current liabilities of a little better than four to one.

In his report to shareholders, W. R. Bawlf, president of the company, states that while the reports on the crops upon which the coming season's operations will depend are not nearly as favorable as they were for last season, the directors are of the opinion that although the volume handled may be reduced, the company will be able to maintain its present strong position.

Following is the profit and loss account for the twelve months ended July 31, 1929.

	1929
Operating Profit	$605,751
Less:—	
Bond Interest	34,266
Depreciation	101,933
Fed. Income Tax	39,500
	$175,699
Net Profit for Year	$430,052
Preferred Dividend	130,000
Balance	$300,052
Special Reserve	40,000
Balance	$260,052
Brought forward	807,736
P. & L. Surplus	$1,067,788

CAN. NORTHERN PLAN APPEALS TO USERS

Customer Ownership Campaign Proves Big Success —1,200 Shareholders

From Our Own Correspondent

MONTREAL.—Approximately 1,200 new power users have been added to the shareholders list of Canada Northern Power Corp., within the past two weeks. Starting September 3, the company inaugurated a customer ownership campaign and put up for sale 5,000 shares of 7 per cent cumulative preferred stock which was offered at $107, or approximately the current market level.

Subject to final revision, it is understood that the entire offering was taken up by the company's customers, and that the average distribution was three and one half shares of stock to each customer. This is the most successful campaign of its kind which the company has inaugurated. The results have been even better than the campaign conducted last year.

Not over ten shares were sold to any one customer and arrangement was made whereby payments on the installment plan at the rate of $10 a share and $10 a month could be arranged. The $500,000 is to be used to finance extensions to the company's property. Last year 2,500 shares were offered to customers, the issue being over subscribed, the sale closing down in four days.

Taking into consideration the new allotment, the amount of preferred shares outstanding amounts roughly to $5,500,000 out a total authorized issue of $7,500,000.

BRIT. PETROL SYND. RECEIVE ATTENTION OF BUREAU SLEUTHS

Offering of Miller & Co., Montreal, is Raked Over Coals

From Our Own Correspondent

MONTREAL.—A circular concerning the British Petroleum Syndicate of which "pre-organization" shares are being offered by Miller & Co., Montreal, is issued this week by the Better Business Bureau of Montreal. The bulletin gives a summary of what is known about the committee composed of five men who are apparently in control of the syndicate and goes on to set forth various facts and information concerning the manner in which the stock has been sold.

The bulletin points out among other things that two different newspapers published on the same day about two weeks ago carried advertisements one of which advertised the shares for sale at 50c. a share and the other at $1 a share. A few days later the shares were offered at $1.50. No development is being carried out on the property of the syndicate. The report says in part:

Publish Mining News

"The Canadian Oil & Mining News, issued by Miller, announces that the British Petroleum Syndicate was formed for the purpose of consolidating some forty oil and gas leases, comprising approximately 2,128 acres in Turner Valley, Waite Valley, Moose Mountain, etc., areas of Alberta.

"Great stress is laid on 80 acres 'of the most valuable oil proven ground.' These 80 acres are in Section 21, Township 19, R. 2, W. 5 M., 12 and 13, on the Belly River formation. A map issued by the Company shows this property in a colored strip containing the wells of the well-known companies operating in Turner Valley. Advertising of the company reads in part: 'Twelve new wells about to come into production. These wells adjoin our wonderful property—adjoining directly to the finest producing wells.'

"The Geological Survey of Canada says: 'With reference to your enquiry of September 18, 1929, Section 21, Township 19, R. 2, W. 5 M., 12 and 13, are on the Belly River formation. . . There have been no productive wells sunk on the Belly River formation in this area. Legal subdivision 12 and 13 would be more accurately described as on the edge rather than actually on the structure.'

"Advertising in the Montreal papers on Saturday, September 14th, H. Miller & Company stated:

"'Opportunity does not wait for any man. Grasp this opportunity. Your last day. . . . We have the finest 80 acres of "oil land" in the whole field. Buy now at 50c. a share.'

Still Another Price

"On the same day in another newspaper a second issue of 'pre-organization' shares in the company was offered at $1.00 per share. An advertisement of the company published on September 19, states that the new issue of 'pre-organization' shares will be sold at $1.50 per share. Yet no development work has been or is being carried out on the property of the British Petroleum Syndicate.

"H. Miller & Company have issued a written guarantee that money advanced to the company for the purchase of 'Pre-organization shares will be repaid within ninety days and that the purchaser will further receive two shares in the company for each 'pre-organization' share held, and further that 'pre-organization' shareholders will receive an over-riding royalty of one-eighth. Mr. Miller, himself, is to receive a 10 per cent. royalty.

"Funds for the re-payment of these early investors under the terms of the company's guarantee, will be raised, according to Mr. Miller, by the sale of treasury stock of the company to be formed.

"The selling campaign carried on by the company makes prominent use of the names of the large producing wells in Turner Valley and is carried on through a publication issued by Miller, newspaper advertisements, telephones and lengthy telegrams."

Sun Life Agency Force Gathers on U.S.A. Soil

From Our Own Correspondent

MONTREAL.—Departing from their usual procedure, the annual agency gathering of Sun Life Assurance Company will be held at Swampscott, Mass., this year. It will be the largest convention ever held by the company, and upwards of 1,000 producers of the company will attend.

Addresses are to be given during the various sessions by T. B. Macaulay, A. B. Wood, E. A. MacNutt, H. O. Leach, John A. Tory, W. S. Penny, George H. Harris, and James W. Simpson. T. B. Macaulay will conclude the convention by an address on the investments of the Sun Life.

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DOMINION PARK PAYS FIFTY CENT DIVIDEND

First Payment Since 1924—Good Profits in Past

From Our Own Correspondent

MONTREAL.—Declaration of a 50 cent dividend on the stock of Dominion Park Company constitutes the first payment made since November 1, 1924, when a dividend of 3 per cent was paid. Prior to that time, dividends of 5 per cent were paid in 1921 and 1922, and other payments were made with one exception from 1906 annually.

The company operates an amusement park in the east end of Montreal and in its early days proved a profitable undertaking. However, adverse weather conditions made inroads into revenue for several years after 1924.

In 1928 conditions were materially better and the company was able to eliminate the deficit of the previous season. During the current year, it is reported that operations are again more active, and due to economies effected, net income has been well above that of the previous years.

Is Seldom Traded

Owing to the limited distribution of the shares of Dominion Park and the closely held position of the stock, it has not been traded in to any extent on the local market for some years past, though it is listed on the Montreal Stock Exchange.

The capitalization of the company consists of $400,000 of common stock authorized and issued. The last annual report of the company for the year ended October 31, 1928, showed gross earnings of $230,024, as compared with $184,831 in the preceding year. After deduction of operating expenses there remained a net profit of $15,850 in contrast with net losses in the three preceding years.

New Raw Silk Concern Locates in City of Hull

From Our Own Correspondent

MONTREAL.—A new industry for Hull, Quebec, is seen in the formation of a company to be known as Hull Raw Silks, Limited, which is being organized to manufacture raw silk products in the city of Hull.

Machinery consisting of 60 looms, warpers, winders and all accessories is being moved from Paterson, N.J., where it has been successfully operated upon the goods proposed to manufacture in Canada.

Capacity of the plant when in full operation, is 10,000 to 12,000 yards per week, with facilities for increasing the output at a nominal outlay.

The purchase price of the plant is $50,000, and the plant building, about 50 feet by 300 feet, will be constructed by the Gatineau Power Company and sold to the new company on a ten years' rental basis.

Pig Iron Production Reaches New All-Time Record

From Our Own Correspondent

MONTREAL.—Pig iron production in Canada reached a new all-time high during August, with its output of 112,528 tons. Not only is this a new high record, but on only four occasions in the history of the industry has the 100,000 ton mark been exceeded in any one month. For the eight months ending August, cumulative production amounted to 730,871 tons, a gain of 12 per cent over last year's figures.

One additional 300-ton furnace was blown in at Sydney during the month, making a total of nine in blast as at August 31.

Tomato Crop Fine

Essex County's (Ontario) tomato crop this year is the finest in its history, entirely unspoiled by the recent torrid wave, it is reported from the Leamington area. The dry spell made for a better quality, and did not cut the yield to any serious extent, it is said.

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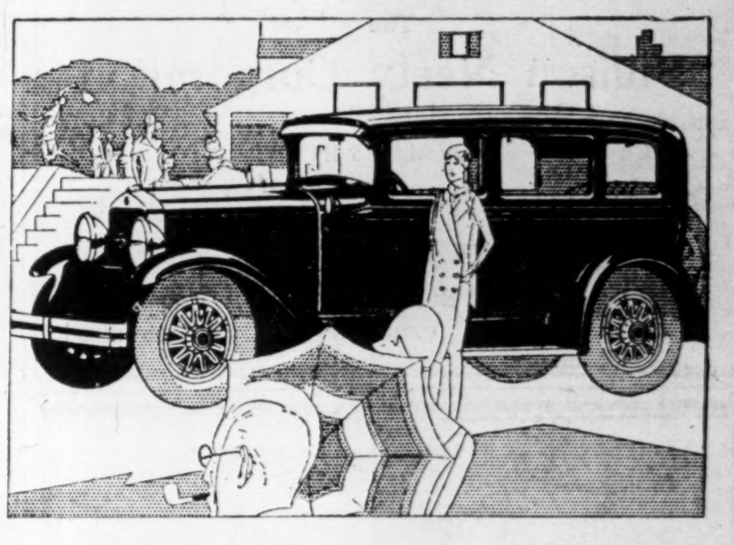

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Never before in Studebaker's 77-year history have motorists been offered such a truly fine car at such a low price. See and drive and decide for yourself today!

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Dividend Rate Raised by 50 Cents to $2.50 a Share

ADDITIONS TO PLANT

Funds Will Reimburse Company for Expenditures Made This Year

From Our Own Correspondent

MONTREAL. — Evidence of the steady growth in power sales and earnings of Quebec Power is witnessed by the decision to increase the dividend from $2 to $2.50 a year. Shareholders have further gained by the issuance of rights to purchase one new share for every ten shares held, which at present prices are worth about $4.20 a share.

The new dividend of 62½c. a share, quarterly, is payable October 15, to shareholders of record September 26, while the new stock is available to shareholders of record October 15, with payment due on November 30, 1929. It will rank for dividends for the final quarter of the current year.

The new rights will involve the issuance of 50,287 shares of common stock and will net the company about $2,500,000.

Expansion Undertaken

Funds received from the new financing will reimburse the company for a substantial expansion undertaken during the past year.

A new gas plant, which will increase the company's output by about 2,000,000 cubic feet per day, is nearing completion; a storage shed at St. Malo, which will hold 15 new trams, was recently purchased; while it is understood that several other additions have been made to the company's various units.

Quebec Power's record of earnings has shown a steady growth through the years. From gross earnings of $346,301 in 1922, operations in the calendar year of 1928 resulted in gross earnings of $3,198,487. The company now owns and operates five hydro-electric plants with a total capacity of 38,800 horsepower, a steam electric generating plant with a capacity of 3,300 horsepower, and 530 miles of transmission and distributing power lines.

Operates Tram Service

Through its subsidiary, the Quebec Railway, Light and Power Company, it owns and operates a tramways, bus, and radial system in Quebec City and environments.

Through the purchase of smaller systems, Quebec Power is steadily extending the territory it serves, and the wider activities have brought about large increases in sales of power.

In 1928, these totalled 163,359,740 kilowatt hours, a substantial increase over the 1927 figure. There can be little doubt that this total will again be bettered by a good margin at the end of the current fiscal year, December 31.

Originally, Quebec Power Company controlled a host of subsidiaries, some of which had securities in the hands of the public. Today, however, all the assets of these companies have been acquired and the entire outstanding capitalization of Quebec Power and its subsidiaries in the hands of the public, consists of the present market issue of common shares outstanding.

Controlled by Shawinigan

The company is controlled by Shawinigan Water and Power which owns over 54 per cent of its common stock. Thus there is a comparatively small floating supply on the market, and the stock is fairly closely held. Shareholders who have stayed with their stock over a period of years have benefitted substantially. In July, 1927, the old $100 par value common was split four for one and changed to no par value stock. Thus an old share is worth about $368 today, while rights were offered to purchase new stock on the basis of one for four in May, 1928, in addition to the present offering.

The consolidation of Quebec Power and its parent Shawinigan has been mooted in the past, and though such an occurrence is logical, it seems unlikely that any move to alter the two companies' present relations will be made for some years.

Gatineau Power Delivers Large Load to Ontario

From Our Own Correspondent

MONTREAL.—Gatineau Power Company, a subsidiary of Canadian Hydro-Electric Corporation, is now delivering 140,000 h.p. to the Hydro-Electric Power Commission of Ontario under two long term contracts. Of this power, 86,000 h.p. has been delivered since last year, and the balance, 54,000 h.p., though originally scheduled for delivery on October 1, was commenced on September 3.

Canadian Hydro-Electric Corporation, controlled by International Hydro-Electric system, a division of International Paper and Power Company, produced 163,779,000 kilowatt hours of electric energy in August, 1929; total production for the first eight months of the year amounted to 1,304,137,000 kilowatt hours.

Gas and License Receipts Gain in New Brunswick

From Our Own Correspondent

MONTREAL.—Motor vehicle licenses receipts at the New Brunswick Department of Public Works for the first ten months of the fiscal year ending October 31, totalled about $750,000 as opposed to an original estimate for the twelve months' period of $700,000. Indications point to total receipts of the motor vehicle branch of more than $1,200,000, a new high record for collections. These figures are more encouraging in view of the 15 per cent reduction in rates which was inaugurated at the beginning of this year.

The total receipts include revenue from gasoline tax which is expected to exceed the original estimate. With an increase from three to five cents a gallon in the tax on gasoline, New Brunswick is hopeful of exceeding the estimated receipt of $400,000. Returns for the first ten months of the fiscal year showed a total of $347,326 from gasoline tax as opposed to $173,598 for the same period of the preceding year.

G. E. Ruston Forms Company

George E. Ruston, who has been associated with mining and oil development in the west for several years has recently formed the firm of George E. Ruston & Co., with offices in the Vancouver Stock Exchange Building.

Avon River Buy Power Concern In Maritimes

From Our Own Correspondent

MONTREAL.—Further expansion of the Avon River Power Company is indicated in its purchase of the Edison Electric Light and Power Company of Springhill, N.S. Another addition to the Avon River system was made through the recent purchase of the electric light plant at Oxford, which will be linked up with Springhill unit in the future.

Avon River Power Company now has interests in Windsor, Wolfville, Kentville, Stewiacke, Shubenacadie and other small places. It also controls the Chester Light and Power Company which covers the south shore district.

It is understood that Avon River has no intention of developing power at the site of its new acquisition at Springhill. At present power requirements are purchased from the Canada-Electric Company and the existing contract will be fulfilled.

SOUTH. CAN. POWER CUSTOMER OWNERS CAMPAIGN BEGINS

Share Offered to Customers at $106 in October

From Our Own Correspondent

MONTREAL. — Southern Canada Power has inaugurated its fifth customer ownership campaign. The company is offering on October 14, 10,000 participating preferred shares to its customers at current market prices. The stock is selling around $106 on the Montreal Stock Exchange so the proceeds of this financing will net the company a little over $1,000,000.

At present there is $4,975,700 outstanding in preferred which is entitled to a dividend of 6 per cent. However, the preferred participates equally with the common, after payment of $1.50 a share has been made on the junior securities, in any further distribution up to 7 per cent. The offering is limited to 10 shares to one customer, and payment may be made by payment of $16 in cash and the balance in monthly payments. In the course of the four previous customer ownership campaigns, Southern Canada Power has sold 27,833 shares to nearly 6,000 customers. The last campaign was carried out in 1925.

Cut Rates Recently

Further evidence of the company's willingness to stimulate cordial public relations was seen in its recent reduction in commercial lighting rates. Earnings of the company have shown a consistent growth since 1922, and last year totalled $1,809,566, or the equivalent, after all charges of $3.77 a share on the common stock.

In July, 1929, work was started on a new dam and hydro-electric station at Burroughs Falls, on Nigger River, which will be operated by Southern Canada Power, though the actual construction is being carried out by the parent, Power Corporation. The dam will be 450 feet long and 60 feet high, and will operate under a maximum head of 175 feet.

The unit will have an installed capacity of 2,000 h.p., which will bring the total capacity of the company's plants up to 65,000 h.p. In all, Southern Canada Power controls 20 power sites which have a potential capacity of over 200,000 h.p.

TEST INCOME TAX ON INSURANCE PAID

B.C. Company Fights Impost on "Use and Occupancy" Policy

From Our Own Correspondent

VICTORIA, B.C.—The question as to whether or not provincial income tax is collectable on insurance moneys received in compensation for fire loss in so far as profits are represented, is the issue in an action now before the British Columbia Supreme Court in the person of Mr. Justice W. A. Macdonald, the action being that of the B.C. Government vs. the B. C. Fir & Cedar Lumber Co. Ltd.

This company suffered from a fire on August 21, 1923, as a result of which it was obliged to close down for a 215-days period. Under seventeen insurance policies $95,427 was collected for loss of net profit sustained through the closing down in consequence of fire. The policies were of the "use and occupancy" type.

Under an agreement of counsel, it was arranged that the issue and arguments should be confined to whether or not these insurance collections by the company are subject to provincial taxation. In the statements filed it is set forth that the company's fixed charges worked out to $243.85 per day and estimated profits lost, insured up to $200 a day, would have reached $317.32 a day, averaged. The point at issue has been taken under advisement by the judge.

Montreal City Grows

The population of the city of Montreal (not including the suburbs) is now put at 1,071,057 in the new Lovell's Directory. This estimate does not include the populations of Lachine, LaSalle, Longueuil, Montreal East, Montreal West, Hampstead, Mount Royal, Outremont, St. Lambert, St. Laurent, St. Pierre, Verdun and Westmount, which, combined, make up a total of 157,002.

CAPITAL REVISION OF CAN. NATIONAL AGAIN IS DELAYED

Ottawa Finds New Obstacles to Comprehensive Change

OLD DEBT IS PUZZLE

Perpetual Mortgage on Winnipeg-Edmonton Line May Prove Serious Obstacle

From Our Own Correspondent

OTTAWA.—While there are still those in government circles here who hope that legislation straightening out the capitalization of the National Railways may be brought before the next session of parliament, it seems more than doubtful. When the government refused the fiat sought by the junior shareholders of the Grand Trunk, it was commonly supposed that the last obstacle to the reorganization of the capital structure of the publicly owned railway had been removed.

However the record of the various attempts which have been made to deal with this problem proves that it is extremely difficult to solve and reliable information obtained in the Capital this week indicates that other and more imposing obstacles to action have arisen lately. Just what these obstacles are is not clear but the report runs that further legal complications have arisen in regard to the issuing by the railway company of securities, against the entire system, to replace existing securities which are in the form of a mortgage against particular sections of the road. The present capitalization includes all sorts of debentures issued by the private companies in the old days and secured by a given mileage of line. There are for example, a number of securities issued by the old Canadian Northern, which form a mortgage on the main line of that road between Winnipeg and Edmonton.

New Bonds Necessary

In order to reorganize the capital structure it would be necessary to ~~replace~~ replace all these various securities with a new debenture secured on the whole mileage of the National Railways and while the holders of the old securities might be quite willing to make the exchange, it is understood that there are legal barriers in the way. Just how serious this may be remains to be seen but it has alarmed the management of the railway and the government, to the point where an expert on the matter has been sent to England to discuss the details with legal authorities and the holders of the securities now outstanding.

Pending the result of this enquiry the railway management and Hon. Charles Dunning, minister of railways, are making all the necessary preparations for introducing a bill in parliament next year dealing with the capitalization. The general plan in this regard was published in "The Financial Post" about one year ago but it is understood that there have been several important changes since then. The final recommendations of the railway management will be forwarded to Ottawa in the course of the next few weeks.

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LONDON INTERESTS MAY BUILD PLANT TO DISTILL COAL

English Promoter Looking Over Possibilities in British Columbia

From Our Own Correspondent

VICTORIA.—F. S. Taggart, a promoter, of London, has been in the Telkwa and Prince Rupert districts for the past few weeks looking into matters in connection with the development of the coal areas in the vicinity of the Copper River and at Telkwa. He confirms the report as to the intention of British capitalists to proceed with the building of a plant to treat this coal by the Bussey coal distillation process. There are three major by-products under this process, crude oil, of which it is estimated from 30 to 40 gallons will be secured from the ton of coal, a high-class coke product and a gas which in the initial operation will be used largely by the company in its reduction process.

Part of the plan of this enterprise calls for the building of a railway from a point near Telkwa to Vanarsdol, on the C.N.R. line, and south from this point to the head of Kitimat Arm, to ensure cheap distribution. The first section of this railway will follow one of the first locations of the G.T.P., and the second will follow one that for a line which was projected to reach Kitimat. It will mean a railway 148 miles long and costing in the neighborhood of $15,000,000, but the cost does not frighten the promoters of the coal reduction project. The application for a charter for the railway will be renewed at the next session of the legislature.

Pending completion of the elaborate detail work connected with the proposed establishment of a reduction plant, it is the intention to proceed at once with development of the local market for fuel, and to this work Mr. Chettleburgh is now assigned, having headquarters at Telkwa. For this business it is understood the company proposes building a railway spur from the C. N. R. at Telkwa to the mine, and machinery is to be installed immediately to assure local consumers a high grade product.

Steele & Son New Offices

Thomas Steele & Son Ltd., members of the Vancouver Stock Exchange, have announced their removal to larger offices in the Rogers Building. The new offices are fitted with a large clients' room and the stock board will carry continuous quotations from the Toronto, Calgary and Vancouver Exchanges.

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*Canadian Power and Paper Investments Limited.......	5%	1958	98.00	5.13%
Carrying a bonus of 5 Shares of Common Stock with each $1,000 debenture				
Canada Northern Power Corp.	5%	1953	94.00	5.45%
Dryden Paper Company......	6%	1949	99.00	6.08%
Alexander Building Corp......	6%	1947	98.00	6.18%

Preferred Stocks

Power Corporation of Canada Limited....................	6%	100.00	6.00%
McColl-Frontenac Oil Co., Ltd.	6%	91.00	6.59%
Reliance Grain Co., Limited..	6½%	96.00	6.75%
Eastern Dairies Limited......	7%	100.00	7.00%

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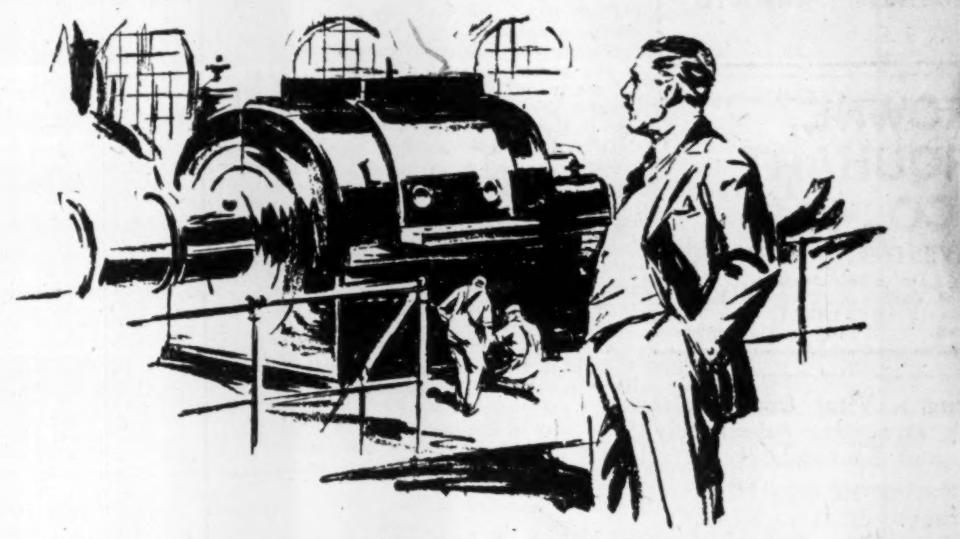

Are You Allowing for Depreciation on *Yourself*?

NO matter how smoothly a machine runs, no competent management neglects to provide systematically for depreciation.

So it should be with the individual. When he is young, his mind keen, his vigor unimpaired, he must set aside a "depreciation" fund for those days when he will no longer be so active. There is this difference: A depreciation fund in industry should be sufficient to replace the machine at the end of its productive lifetime; the individual's capital reserve should be sufficient to replace his personal earning power.

Most men must *build* their capital reserve—from their earnings. This cannot ordinarily be done in a year, five years, or even ten. It is a slow process—with results best assured by beginning early in life. In this respect, young men, nowadays, have an advantage. They early gain positions of responsibility with comfortable incomes. Their opportunity is greater than ever before, to win out financially.

Our booklet "Looking Ahead Financially" deals comprehensively with the problem which should be every man's concern—that of building a sound financial structure for himself and his family. This book will help you to lay out and to follow a plan, suited to your means, that will systematically build up an income from investments, eventually sufficient to replace personal earning power.

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News of Investment Markets

BOND CONDITIONS INFLUENCE TREND OF CONSTRUCTION

Effect of Bond Prices Has Reaction on Building

The question as to what effect the high rates of interest that have prevailed over the past year have had on the construction industry forms, the subject of the current monthly letter of the Bank of Nova Scotia. Since construction activity is chiefly financed by mortgage or bond flotation, attention has been directed toward the bond market rather than toward the market for short-term credit and the tentative conclusions arising from the study would denote that during the last two and a half years the connection between money market conditions and construction activities has been very close, so close that the money market would appear to have forecast the trend of construction in Canada.

From the beginning of 1927 onwards, the condition of the bond market has been clearly reflected in the state of the construction industries some five months later, and the bank letter states that there is every reason to suppose that this intimate connection will endure for a considerable time to come. When the market for bonds has been good there has been an ensuing stimulus toward new construction and vice versa.

American Fuel & Pr. Notes Offered by Western Firm

Royal Financial Corporation Limited have recently offered their participation in the $2,000,000 5-year secured 7 per cent convertible gold notes of American Fuel and Power Company. The company is engaged in the production and distribution of natural gas for industrial purposes in Kentucky, West Virginia and Ohio. The company through its subsidiaries owns large gas reserves and operates a pipeline system and owns 99 per cent of the stock of the Inland Gas Corporation and the Kentucky Fuel Gas Corporation. The company also owns all of the stock of Buckeye Fuel Co., Carbreath Gas Co., and the Inland Distributing Company.

Holdings are stated to consist of 300,000 acres of leases, fee gas rights and fee lands containing according to estimate 600 billion cubic feet of gas. Details of the issue follow:

$2,000,000
American Fuel and Power Company
7% 5-Yr. Secured Convertible Gold Notes

Dated—July 1, 1929; due, July 1, 1934.

Interest—7% payable Jan. and July 1 in New York City.

Denominations—$1,000, $500 and $100 registerable as to principal.

Redeemable in whole or in part on the first of any month on 60 days notice at 105 prior to July 1, 1930, premium reducing 1 per cent. for each year thereafter.

Conversion privilege—Convertible on option of the holder into $2 cumulative dividend Class A Convertible stock of no-par value at following rates: for each $1,000 note: Up to Dec. 31, 1930 into 45 shares Class A stock; during 1931 into 43 shares; during 1932 into 40 shares; during 1933 into 37 shares and in 1934 to date of maturity into 34 shares. Each share of Class A stock is convertible in turn into 5 shares of no-par value common stock up to August 1, 1936.

Offer—Sept. 1929, at 100 to yield 7 per cent. by Royal Financial Corporation Limited.

Public Offering is Made Of Recent B.C. Bond Issue

Offering of $3,036,500 30-year sinking fund non-callable 5 per cent debentures for which tenders were recently called by British Columbia has been made to the public by the successful syndicate. The province will use the proceeds of the issue in the retirment of $3,000,000 principal amount of 4 per cent bonds due September 25. Details of the recent issue are as follows:

$3,036,500
Province of British Columbia
30-Yr. Sinking Fund 5 Per Cent. Debentures
"Non-Callable"

Dated—Sept. 24, 1929; due, Sept. 24, 1959.

Principal and interest payable March and Sept. 24 in gold in New York City and in Canada. Denominations: $1,000 and $500 in coupon form, registerable as to principal or in fully registered form.

Sinking Fund—Has been established sufficient to retire all long-term debts of the province, including this issue, at their respective maturities.

Offer—$3,036,500, in September, at 100 to yield 5 per cent. by a syndicate composed of Dillon, Read & Co., A. E. Ames & Co., Limited; Wood, Gundy & Co., Limited; Dominion Securities Corp., Limited; The Canadian Bank of Commerce and the Royal Bank of Canada.

American Firm Opens First Canadian Office

From Our Own Correspondent

MONTREAL. — F. E. Kingston and Company Limited of Canada have opened offices in Montreal. The Canadian company will be affiliated with F. E. Kingston and Company of Hartford and the Kingston Company of Springfield, U.S.A., and will be under the managership of F. Gordon Church.

The company will do a regular investment and trading business, specializing in public utilities. The parent organization has operated along these lines for many years, and has been responsible for the organization of the Guardian Investment Trust, Guardian Rail Shares and Guardian Public Utilities Investment Trust.

The Montreal office, though the first to be opened in Canada, is the tenth in the company's chain.

Black Hawk Oil and Gas Owns Properties in West

From Our Own Correspondent

MONTREAL:—An offering of 100,000 shares of Black Hawk Oil and Gas Company, Limited, is being made by Rountree & Company, Montreal. The company is capitalized at 3,000,000 shares of no par value and the present offering is being made at $1.50 a share.

According to sponsors of the company, completion of present plans will give them over 31,000 acres of oil regions in western Canada located as follows: Of the Horburg anticline in the Rocky Mountain House district, 7,296 acres; in the Wainwright Fabyan field 3,848 acres, in the Keiven field, 80 acres; and 20,000 acres of potential natural gas lands in south western Manitoba.

Jones Bros. Financing

It is reported that some new financing for Jones Bros. & Co., will be announced shortly.

Lack of Confidence Is Given as Reason For Alcohol's Slump

At Least Three Directors Have Resigned from Board

QUIT LAST SUMMER

E. R. Decary, Col. F. M. Gaudet and Henry Joseph No Longer Are Directors of Company

From Our Own Correspondent

MONTREAL. — "I attribute the drop in the price of Canadian Industrial Alcohol Co. shares, to a lack of confidence in the administration," said Henry Joseph, former director of the company, to "The Financial Post" this week. H. Joseph, resigned from the board of Industrial Alcohol last June, and has not been connected with the corporation since that time.

It was also learned this week, contrary to the impression that has been created that at least two other directors, namely, E. R. Decary and Colonel F. M. Gaudet, have also resigned from the board. Decary's resignation was made four or five months ago, it is understood, while Col. Gaudet resigned in July. Only a short time ago, a statement was credited to an official of the company, to the effect that nothing had been done yet as to the resignation of Decary, but that owing to pressure of business, he might eventually resign from the board. It was also stated at that time that there was not the least likelihood of any other members of the board resigning.

Marketwise, the company's shares have recovered somewhat from the heavy slump of last week following Lord Shaughnessy's statement issued by wire from the West to the effect that: "The company is in a strong financial position and the monthly earnings are satisfactory in every respect and that the dividend is being well maintained and there is no cause for the slightest apprehension."

New All-Time Low

The stock, however, from a high for the year of 47, dropped to a new all-time low of 15¾, which culminates a gradual decline in its price that has been going on for some time in spite of emphatic statements such as the one quoted above, that the company's affairs are in good shape.

Undoubtedly a fundamental factor behind the decline, has been the lack of public confidence in the distillery situation. This was brought to a head when government operations at Windsor, curtailed for two or three months, the bootlegging activities of the rum-runners, which was, of course, reflected in the sales of the distillers, most of whom, are indirectly, materially interested in the export of liquor to the United States.

No Buyers Appear

This would account for the fact that there has been virtually no buying of any account in the liquor stocks, and that therefore as soon as there is any liquidation on the part of holders, the price of the shares reacts accordingly. That there has been more than usual liquidation in Alcohol, however, is apparent from the fact that during the year the company's shares have depreciated in value 67 per cent as against a depreciation of approximately 46 and 43 per cent respectively in the shares of the other two big Canadian distilleries in which there is public investment interest.

Earnings Are Better

At the present time, the management states definitely that earnings are on the upgrade, and the showing of the company during July, August and September have been sufficient to make up to a considerable degree for the loss in revenue earlier in the year, so that the company's statement for the year ending September 30 next will be substantially ahead of earlier estimates and will be more than ample for dividend requirements.

It is known, however, that the company has not been successful in making its Robert McNish subsidiary profitable. This is a Scotch concern and was acquired in 1927. The parent company guarantees the $5,000,000 of 6 per cent debentures of that organization which are outstanding.

However, the company would have to experience a very drastic cut in earning power seriously to jeopardize its position. Last year after paying dividend requirements, the company had a surplus of $1,500,000 to the good. Then, too, the company's two main assets, consisting of a $5,000,000 plant and 10,000,000 gallons of maturing spirits, which have a sale value of at least $40,000,000 are sufficient to give an equity to the shares of substantially more than the present market value.

Dissatisfaction May be General

Just how far this dissatisfaction on the part of directors, to the administration of the company, will go, is however, an important point to be considered. The criticism is apparently not levelled against the company's position as regards physical assets and plant, but against the broader policies of those administering the company's affairs. It is thought, for instance, that the company should adopt a much more active and vigorous attitude toward developing its industrial alcohol business, rather than the beverage lines. A step in this direction was made a month or so ago with the establishment of a small plant at Lindsay, Ont., for the output of wood alcohol and by-products.

Another point which must be taken into consideration in connection with Canadian Industrial Alcohol is the fact that for some time now the stock has lacked definite sponsorship. Up to the time of Sir Mortimer Davis' death, a local investment house was actively interested in the stock but this is not now the case, which would account in part for the fact that at a time such as this there has been apparently no one in the market to offer buying resistance to offset liquidation.

Statement May Come

The recent low price level would seem to indicate that any lack of confidence in the company's administration, has been pretty well discounted by the stock market, and with the return of Lord Shaughnessy to Montreal in the near future, some statement may be forthcoming which will indicate definitely how things stand in this regard. If there is still lack of confidence it would of course have an important bearing on the company's position.

Power Corp. Realizes Since Fiscal Year End

From Our Own Correspondent

MONTREAL. — Since the close of its fiscal year on June 30, Power Corporation has realized in a substantial way on some of its holdings, according to a statement made by A. J. Nesbitt, president of the company, at the annual meeting held in Montreal this week.

Present installed horsepower under the company's control now totals 732,340 h.p. Within the next two years an additional 232,000 h.p. will be added, which, together with the Montreal Island Power development which is controlled jointly by Power Corp. and Montreal Light, Heat & Power, will bring Power Corp. into the 1,000,000 h.p. class.

McIntosh Reds Shipped

More than a hundred cars of McIntosh Red apples are to be shipped out from Vernon, B.C., on Saturday, September 21st, inaugurating for the present year the outward movement of this famous fruit of the Okanagan Valley.

Bond Redemptions

	Rate %	Due	Redeem.	Price
Mont. Steel Works	6	1940	Dec. 1	110
Goodyear Cotton	6	1941	Oct. 1	100
Robt. Simpson Western	6	1931	Jan. 1	103
Simpson's Ltd.	6½	1945	Oct. 1	104
Maple Leaf Milling	6½	1943	Feb. 1	103
Allen's Mont. Theat.*	7	1930	Oct. 7	103
Foreign Bonds—				
Argentine	*6	1959	Oct. 1	100
Argentine	*6	1960	Oct. 1	100
Brazil	*6½	1957	Oct. 1	100
Peru	*6	1961	Oct. 1	100
Stock—				
Minn.-Honeywell Regulator †	7	Pref.	*Nov. 15	110
Caulfield's Dairy	7	Pref.		110
Loblaw, prior		Pref.		140
Pressed Metals		Pref.	Dec. 14	105

* In part.

† Convertible into 2½ shs. common stock prior to Nov. 15.

Tenders and Bylaws

Nov. 1, Okotoks, Alta.—$13,500, 6 per cent 10-year debentures. R. Knowles, sec.-treas.

Sept. 28, Parish of St. Philomene—$4,000 5½ per cent. serial bonds. F. P. Labrie, sec.-treas.

Nov. 1, Ste. Famille de Boucherville—$47,000 5 per cent, 15-yr. serial bonds. F. Beauchemin, sec.-treas.

Oct. 2, Shawinigan Falls—$250,000 and $15,500, 5 per cent. 30-yr. serial bonds. A. J. Meunier, sec.-treas.

Sept. 30, R. C. Separate School, North Bay—$75,000, 5½ per cent. 30-yr. debentures. E. C. Rheaume, Sec.

Oct. 1, Saint John, N.B.—$408,000, 5 per cent. 10 to 40-yr. debentures. H. E. Wardroper, clerk.

Oct. 9, Can. Bank of Commerce—4,300 shares of new stock, par value $100 each. S. H. Logan, gen. mgr. (See announcement on page 10).

Oct. 5, Port Colborne—$55,00, 5 per cent. 20-yr. school debentures. H. F. Johnston, treas.

Twp. of Pelee Island—$6,000, 6 per cent, 10-yr. school debentures. W. Stewart, Pelee Island, Ont. (See announcement on page 10).

Oct. 17, New Toronto—$265,009, 5 per cent, 10, 15 and 20-instal. bonds. W. B. Curtis, treas. (See announcement on page 10).

Oct. 7, Municipality of Les Escoumains.—$6,000, 5½ per cent, 20 year serial bonds. H. Tremblay, sec.-treas.

Oct. 7, Town of Kenogami.—$70,000, 5½ per cent, 30-year serial bonds. D. Demers, clerk.

Alberta

Authorization granted by the Board of Public Utility Commissioners from August 26 to September 9.

Schools—Monarch No. 2046, $4,500; Brookside No. 1436, $11,000; Bon Ayr, No. 4415, $1,500.

Villages—Viking, $5,000. St. Paul de Metis, $8,000.

Saskatchewan

Authorizations granted by the local government board from September 7th to September 14th, 1929.

Schools—Pelly, No. 163, $2,500; Georgina, No. 2396, $2,000; Lilart, No. 4813, $4,200; Henriettta, No. 19, $2,400; Glenada, R. T. Co., $9,700; Nadeauville, R. T. Co., $2,500; North Meyronne, R. T. Co., $5,000; Sturgis Village, $2,000.

Debentures Reported Sold

Big River S. D. No. 32, $7,000, 15 yrs., 6¾%, Waterman Waterbury Co., Regina; Christopher Lake, No. 3658, $2,000; 15 yrs., 7%, Waterman Waterbury Co., Regina; Albert Springs, No. 878, $1,000, 5 yrs. 7%, Kern Agencies, Ltd., Regina; Tramping Lake, No. 3990, $15,000, 20 yrs., 6%, H. J. Birkett & Co., Toronto; Grass Lake, No. 2502, $3,600, 15 yrs., 6¼%, Lake & Clark, Luseland; Canoe Lake, No. 2399, $4,000, 15 yrs. 6¼%, G. Moorhouse & Co., Regina; McGee, No. 2571, $9,500, 20 yrs. 6%, H. J. Birkett & Co., Toronto; Hale, No. 2044, $2,000, 10 yrs. 6¼%, H. M. Turner, Regina; Radant R. T. Co., $2,400, 10 yrs. 6¼%, J. W. Gibson, Dysart; Neidpath R. T. Co., $16,200, 15 yrs. 7%, H. M. Turner & Co., Regina; Ponteix R. T. Co., $9,250, 15 yrs. 7%, Kern Agencies Ltd., Regina.

Plan Addition to Output of Northern B.C. Power

From Our Own Correspondent

MONTREAL. — Proposals are being considered for developing an additional 6,000 h.p. to meet the demand for power in the district served by Northern British Columbia Power Company. The company, in which Power Corporation holds a controlling interest, was recently formed to take over the electric system operated by the municipality of Prince Rupert. In addition, the company owns the system formerly controlled by the International Electric Company serving Stewart and Hyder, B.C., and Hyder, Alaska.

The fact that Prince Rupert is the principal grain port of Northern British Columbia and is the terminus of the Canadian National Railways is an important factor in the outlook for Northern British Columbia Power. The surrounding territory supports a substantial fishing and lumbering industry.

Williams, Partridge, Rapley Admit New Partner to Firm

From Our Own Correspondent

MONTREAL. — Announcement is made by Williams, Partridge & Rapley, Limited that Geo. W. Ford has been admitted to partnership in the firm. Ford, who is a financial sales executive of wide experience, joined Williams, Partridge & Rapley, Limited in 1927, from the Eastern Public Service Corporation of which he was vice-president in charge of finances. Prior to entering the public utilities field, the new partner was manager of securities sales in charge of various offices of Henry L. Doherty & Co., in Connecticut, Washington and Tennessee.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
La Tuque, Que.	Sept.	Lagueux & Darveau	5%	1934	$104,000	....	...
Gen. Hospital of Thetford Mines	Sept.	Lagueux & Darveau	5½%	20-ser.	$225,000	....	...
Saskatoon Sch. District	Sept.	Wood, Gundy & Co.	5½%	30-yr.	90,000	99.80	5.52
Saskatchewan Schools	Sept.	Miscellaneous	....	.....	44,100	....	...
Saskatchewan Phones	Sept.	Miscellaneous	....	.....	27,850	....	...
Cut Knife Village, Sask.	Sept.	Turner & Co.	7%	.....	5,000	....	...
Meota Village, Sask.	Sept.	Turner & Co.	7%	10-yr.	6,000	....	...
Wilkie Union Hospital, Sask.	Sept.	H. J. Birkett & Co.	6%	20-yr.	27,000	....	...
Walkerville	Sept.	Wood, Gundy & Co.	5%	10 & 15ms.	292,830	....	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price Offered	Yield
American Fuel & Power Co.	Sept.	Royal Financial Corp.	7%	1934	$2,000,000	100	7%

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TORONTO, SEPTEMBER 26, 1929

AT LONG LAST

THE public has been under the impression that the tariff advisory board was a means enabling the King Government to shelve problems relating to the tariff and yet to give the persons interested in the question a way of letting off steam without taking up the time of members of the cabinet or parliament.

It is a pleasant surprise, therefore, to hear that the cabinet has decided that the application of the steel interests must be dealt with. "The Financial Post's" Ottawa correspondent gets it on the best authority that the tariff board has been asked to prepare new wording for the 200-odd items in the iron and steel section and it is apparent that Mr. Robb's next budget will have some important announcements to make with regard to these items.

There is no denying that the revision of the steel and iron items is a difficult task if the primary producers are to get the protection they demand and require and if the secondary manufacturers are not to be adversely affected. The secondary manufacturers have been doing very well for the past two or three years and it is in the interest of the country that their position be disturbed no more than is imperative.

It is hoped that some of the iron and steel imports will become domestic manufactures and that some of the goods which it is necessary to import, pending the further development of the industry in Canada, will be brought in larger volume from Great Britain. Increasing imports from Great Britain, rather than from other countries, will improve the prospects for bettering the market for Canadian products in the Mother Country and perhaps cause the Labor Government to withhold action which will eliminate or reduce Imperial preference in so far as Britain is concerned.

IS REAL SALESMAN

MR. THOMAS, the English commercial traveller, who is also a member of Ramsay MacDonald's cabinet, is reported to have "almost" sold bituminous coal from English and Welsh mines for use on railways in Eastern Canada.

Mr. Thomas would have proved himself to be an excellent salesman, indeed, if he had succeeded in that effort. There are bituminous mines in Nova Scotia, much nearer to the Canadian railways than the mines in the United Kingdom. Until the Canadian mines are unable to supply the demand, it would be impolitic for the railways to import coal. The rail or water haul is shorter for Canadian coal and the laid-down cost doubtless is as low or lower than the laid-down cost of coal from overseas.

PROBLEM OF OLDER WORKERS

THE American Management Association has been asking employers what are their practices with regard to older employees, and the engagement of older applicants, and the results of the investigation are incorporated in a pamphlet. The problem is one which is of vital importance to every person beyond the first flush of youth who seeks a job and is of concern to every other person who is at all interested in the social and economic problems involved.

Sixty of 75 companies responded when asked for information on the question. Nearly all employers are reluctant to hire older workers, but few have definite age limits. Some believe it an economic advantage to engage an applicant of mature years if that applicant has special experience which fits him for the position available. But most employers prefer the young applicant because of the policy of promotion within the organization, because the older applicant cannot or will not accept a beginner's wage and because pension plans, where they exist, are thrown out of balance when it becomes necessary to pension a person who has not had a long service with the company. Where there is no pension plan, the aging short-service employee nevertheless presents a problem, since the number of jobs in any company suitable for a person of declining mental or physical fitness necessarily is limited.

Perhaps the most encouraging fact adduced from the survey is that employers generally appear to be concerned with the problem and are by no means so heartless in their attitude as some unfortunate workers and observers might believe. The problem is one which far-sighted executives consider quite as important in its economic aspects as from social considerations. State insurance to take care of the unemployed of advanced years is not the ideal solution, rather it might be better if a system of inter-company insurance could be provided whereby the workers in specific industries could be provided for. This would solve some of the problems which have arisen through mergers and consolidations, one object of which has been to eliminate duplication of effort. One suggestion which is included in the pamphlet published by the American Management Association was that workers get credit in one company for time served with others. This suggestion seems impracticable, but it may lead to a practicable plan whereby the pension schemes of individual companies may be consolidated by industries, or localities.

NO CAMPAIGN CONTRIBUTIONS

EXECUTIVES of companies, whether or not incorporated, who are at present debating whether or not they should, through expediency or interest in a cause, contribute toward the funds of any political party or candidate seeking election in Ontario will find the question decided by the Political Contributions Act, 1929, which can be found in chapter six of the Ontario statutes, 1929.

This brief Act specifically prohibits campaign contributions from an incorporated or unincorporated company or association, whether the money is paid directly or indirectly, and any director or official who countenances such a contribution is declared guilty of a corrupt practice within the meaning of the election law of the province. Apparently the Political Contributions Act is not intended to deal with contributions of individuals.

There will be few executives who have made contributions in the past out of company funds who will not be glad of the new law. Many contributions were not made with sinister intent, but the propriety of payments of this kind always has been open to question, besides being an expense which could not add to business efficiency.

NINE MONTHS SOONER

COMPANIES, the stocks of which are listed on the New York Stock Exchange, must publish balance sheet and income accounts every three months. Companies listed on Canadian exchanges are required to publish their reports only once a year and the curb and unlisted departments permit trading in companies which go on from year to year without giving to shareholders or the public any really authentic information.

The importance of quarterly reports was never more clearly demonstrated than recently when the annual report of a Canadian company was published which astounded the shareholders and some of the so-called "insiders" who should have been informed of the true situation. Sales were down, profits were much less than dividend requirements on the preferred stock. Both preferred and common stocks slumped quickly and badly.

Quarterly reports, signed by auditors, would have revealed the situation earlier, shareholders would have had less excuse to think that they were misled and possibly they could have taken steps which would have tended to correct the situation before it got so bad as the annual report showed it to be. Steps are now being taken to improve matters. The remedy might have been easier to apply if it could have been applied nine months sooner.

LICENSING BROKERS

THE attorney-general of the state of New York suggests that stockbrokers be licensed. Thus, again, does one official deem it advisable to penalize the great majority of a class, who conduct their business honestly, in order to check and control the activities of the minority who would impose on the public.

There are 31 states of the Union which already require firms selling securities to obtain licenses. In Canada, anyone may hang out a shingle as a broker and the public often does not know whether he is a member of a recognized and well-managed exchange, subject to the regulations and restrictions of that exchange, or is an itinerant bond salesman who may be planning to foist fraudulent securities on the public.

Honest brokers will not object to any reasonable plan which will tend to protect the public from the operations of the dishonest stock salesman. The honest broker suffers from the dishonesty of others. Funds which might be invested in legitimate enterprises often are dissipated in fraudulent promotions.

POOR MANAGEMENT

IT IS easy enough to find fault with a company which has struck hard times, but the situation surrounding a construction company which recently went into liquidation is noteworthy. Attention was directed in the columns of "The Financial Post" some months ago to widely divergent statements made by officials of the company and to the general lack of definite information regarding the company's position.

Optimistic utterances were followed by remarkably poor earnings. These were partially explained, while the future was viewed, officially, as encouraging, despite the fact that stock dividends replaced cash disbursements for two quarterly payments. At no time were shareholders informed of the true position surrounding the company's affairs, rather they were led to believe, through the lassitude of a disinterested management, that all was well.

The shares were bolstered up by market operators and fluctuated widely. Within the last twelve months they were run up to a high point while small investors gaped at the possibilities which they thought the shares offered for a quick profit. No official statement disillusioned them, no steps were taken to indicate the precarious position of the company's finances.

It is the old story. When the crash comes it is the small investor who is holding the bag. He himself is partly to blame; nevertheless the management, through its entire disregard for the welfare of its shareholders, has allowed the company's name to suffer irredeemably from an investment standpoint.

HOME GROWN

THE story about the California peaches served on dining cars rushing through the Niagara fruit belt is now traditional and probably not altogether fabulous.

On the Canadian Pacific Steamships plying up and down the Kootenay and Arrow lakes in British Columbia there are bowls of British Columbia fresh fruits on the tables throughout the season. Similarly the Canadian National transcontinental trains have made Lake Winnipeg gold eyes an institution with many travellers.

There are many world travellers on our transportation systems every day. The railways are doing good work in supplying them with Canadian products and definitely labelling these products on the menu card as Canadian.

DOLE IS DANGEROUS

SENATOR GIDEON ROBERTSON should visit England and study the vitiating effects of the system of unemployment insurance in that country. There is hardly a thinking person in Britain who can be found to support "the dole" and the only reason the dole has been continued is that, having been inaugurated, it is difficult to cut off. It is Britain's old man of the sea. Yet with this example before him, Senator Robertson, speaking on behalf of Canadian labor, suggests a system of unemployment insurance for Canada.

No "dole" could prove quite as evil in its consequences in Canada as it has in Britain. One reason is the fact that the wealth of opportunity in Canada obviates the possibility of serious unemployment. Another is the fact that our workmen are more ambitious and independent in character and have been less affected by subversive teachings than the workers of Britain in the post-war period. But any sort of a dole in this country would be obnoxious and contrary to the principles upon which this country has been built up. The encouragement of individual initiative, and reliance upon the practice of letting the individual solve his own problems with the minimum of state interference, have built up on this continent two of the most self-reliant nations in the world. We should not permit such an unfortunate encrustation as a dole to grow upon our successful body politic and body economic.

WHAT A GLOBE SHOWS

NINETY per cent of the guests registered at one of Canada's great Rocky Mountain hotels at one time this summer were Americans. Taking the year as a whole, about seventy-five per cent of the patronage is American, about ten per cent British and continental and the balance only is Canadian. This strikingly illustrates that in scenic beauties and geographical location to the rest of the world Canada has two great resources.

We have come to regard our tourist traffic as one of our important sources of revenue. Dr. J. W. Dafoe, editor of the Manitoba "Free Press," in a recent address, added geographical location as an additional valuable natural resource of Canada.

An Englishman can cross the Atlantic and the Pacific by Canadian boats and cross Canada by Canadian railways and reach the Orient eight days faster than he can by any other route. A recent train pulling out of Vancouver shortly after the arrival of a boat from the Orient carried over 200 passengers, practically all of whom were people taking the short route across Canada to Europe. Canada's location will become increasingly valuable as a resource capable of translation into revenue, when air travel becomes more an every day affair. The shortest lines from middle United States cities to any points in the Orient, Asia or Europe cross Canada.

Dr. Dafoe very cleverly read a lesson to our schoolmasters when he pointed out that Mercator's projection did Canada an injustice; that Canadian school children should study geography from a globe.

EDITORIAL NOTES

ONE OF THE PROPOSED clauses to the pending United States tariff will prevent the importation of goods patents for which have been granted in the United States. At present, it is legal to import patented goods with the consent of the holder of the patent in the United States. The proposed change is at the instigation of labor interests, who have heard that Henry Ford intended manufacturing tractors at Cork, Ireland, for sale in the United States. The proposed change would make little, if any, difference to Canadian trade with the United States under present conditions. Under Canadian law, patents granted foreigners are void unless manufacture of the article within the country is begun within a reasonable time.

Stop Me If You've Heard This One

French Ambassador Claudel, at a dinner in Washington, praised indirect taxes.

"Finance," he said, "favors these taxes because they are easier to endure than direct taxes. They bring in more, too.

"How much pleasanter to pay a tax unconsciously with every pound of sugar you buy, instead of filling out checks for income tax and real estate tax and what not.

"'Darling,' a young wife said, 'what is the precise difference between direct and indirect taxation?'

"'The same difference,' said her husband, 'as between your asking me for money and going through my pockets while I'm asleep.'"

Washington Politicians May Revise Grain Ideas

Canada-U.S. Common Interest in Wheat Problem at Last Becoming Apparent to Solons—Farm Board May be Able to Replace Politics With Business

By M. M. WILNER

BUFFALO.—The amount of wheat currently held in Buffalo elevators is from 25,000,000 to 30,000,000 bushels, varying, of course, with the increase and decline of arrivals and shipments. The elevator storage capacity of the port is about 30,000,000 bushels, so it may be said that the elevators are practically full most of the time. In addition, many vessels are held in the harbor, unable to discharge their cargoes. Of course, more are arriving daily and shipments to the seaboard are far from sufficient to relieve the congestion.

The situation has been developing all summer. Early in the season the Interstate Commerce Commission granted a reduction in railroad rates with the hope of clearing the lake transfer ports from last year's surplus before the new crop began to seek a market. The results, however, were not up to expectations.

Have Common Interests

The conditions in Buffalo are a localized reflection of phenomena in the grain trade which Canadians have been watching with much more attention than have the people south of the border, who have been concentrating somewhat more upon agricultural politics than on business. Explanations to Canadians would be superfluous, but they will be interested to note the extent to which events are emphasizing the community of interest between Canada and the United States, so far as wheat is concerned.

Comment also is justified on the fact that, clearly as this common interest is exhibited in business, it has gained very little recognition in government circles. In fact, policies at Washington have been developing all summer on the obvious assumption that the interests of the United States and Canada are diametrically opposed. Hence, the imposition of the 42-cent tariff on wheat and the attempt to repeal the export drawback privilege. The latter proposition, as all Canadians must know, was passed by the House of Representatives, but was stricken out by the Senate finance committee. A hard fight has been made by Western senators, however, for its restoration.

The elimination of the drawback will be likely to give Canadian mills the Cuban market, now supplied by the United States, and will correspondingly reduce the market for the softer wheat grown south of the boundary, which is mixed with the Canadian grain for the Cuban trade. It really would be for the advantage of Canadian, but the psychology of Western farmers, or their politicians, at least, reinforce the pleas of millers in Kansas City and the Southwest in regarding the drawback as a concession by the United States and, therefore, a sacrifice of some farm interest.

Winnipeg Spread Looked Into

Only since the beginning of the present month has Washington shown any interest in the fact that wheat apparently is some 20 cents a bushel higher in Winnipeg than in Minneapolis. Recently the new Federal Farm Board has set the Bureau of Agricultural Economics to investigating this matter, which is attributed principally to differences in grading and other controllable conditions. With more attention to crops and prices and less concern for the farmer vote, the subject well might have been the most conspicuous feature of discussion at Washington for several months.

The idea, of course, has not penetrated Congress that, on the surface, Canada is the country which would have best justification for imposing high protection on wheat. The senators and representatives would be the last persons to grasp such a point as that, and it will not be surprising if actual present conditions in the wheat trade never enter into the decisions on the pending tariff bill. Argentina is suffering drought, and possibly her competition in the European wheat market soon will be ended; prices will be good in both Canada and the United States; the framers will be happy, and the politicians will claim the credit for their legislation, whatever it is, particularly those politicians who most oppose any advice from informed business men lest they appear to be serving "the interests."

There is hope, however, that better things will result from the operations of the Federal Farm Board. That body is composed in the main of very high-grade men. Some of its members are working for the government at $10,000 a year when they could be making $100,000 by remaining with the corporations from which they have been drafted by President Hoover. If the board succeeds in bringing rival farm organizations together into a business-like wheat co-operative society, banishing from Western farm minds the still persistent hope of government subsidy and creating the $20,000,000 marketing association, which is in process of development, the general effect by another year should be healthful for all concerned.

Other People's Views

Newspaper Policy and Advertising (Toronto Star)

A despatch was sent out recently stating that an organization, the Canadian General Contractors, had decided to bring pressure to bear on Canadian public opinion in favor of having construction work done in Canada by our own contractors, using our own men and material. The dispatch outlined the plan that was to be followed and concluded with the following, which, we must say, contains some very surprising words:

"We do not think that it is either advisable or necessary for us to cover in detail in this letter the technical methods used to achieve this objective—suffice it to say that there will be newspaper advertisements in the most influential dailies across Canada which will not only tell our story to the public but will secure the editorial co-operation of the newspapers themselves—a type of publicity and recognition which the General Contractors have not received up to the present time."

Here it is flatly stated that this organization proposes to place advertisements in the most influential dailies across Canada which will "secure the editorial co-operation of the newspapers themselves."

It would not be possible to make a more injurious accusation against the press of Canada than is here made in a few words—and evidently without any intention of making an accusation. The thing is stated as if it were a matter of course.

Is there any ground whatever for such a statement as this? Is there any leading daily newspaper that throws in its editorial opinion along with the advertising space it sells? We do not know of any such daily newspaper from one end of the Dominion to the other. It is perfectly certain that no newspaper could be influential with any such moral defect in its character.

In these days the issuing of a daily newspaper is a large enterprise and in carrying of it on a great many people are busily engaged. The work is specialized in many departments. There was never a time in the newspaper business when the editorial direction of a daily paper was so completely dissociated from the business office and its problems as to-day. The man who solicits advertising and the man who writes editorials have no point of contact at all and, years ago, in every successful daily newspaper, the rule was laid down that the editorial page was to know nothing and care nothing about advertising in any circumstance.

This new organization of contractors proposes to do some advertising, but evidently has not done any. Many who have advertised largely know more about it than these people do and have learned that whether they advertise or not makes not the least difference in the policy of a newspaper. In earlier days when the person who put an advertisement in a newspaper felt he was conferring a boon on the paper that entitled him to favors in return the case may sometimes have been different. Today advertising is not a boon conferred on the newspaper whose editor is obedient and deserving; advertising is done because the advertiser wants everybody to know what he has to tell them. And today the editor is a man the advertiser may have never seen and whose identity he may never know.

POST-scripts

POSSESSORS of banknotes of Barclays Bank (Canada), may have noticed an exceedingly small black eagle printed on the face of the note, an object which has apparently no direct bearing on the general design of the bill. The bird, however, is no other than the sign of The Black Spread Eagle, which since 1676, has adorned the premises occupied by the Barclays in England.

The sign is still to be seen at 54 Lombard Street, London, and is used as a trade mark for Barclays Bank and all its affiliations.

During the seventeenth and two succeeding centuries, goldsmiths were the official bankers for merchants and wealthy persons. A firm of goldsmiths occupied the house under the sign of the Black Spread Eagle in 1676, and sixty years later James Barclay was admitted into the firm,—the official record of the first Barclay at the sign of the Black Spread Eagle.

UP IN northern Quebec there is a small railway by the name of Atlantic, Quebec and Western. It serves a territory that has immense possibilities. Just now the area is wild and woolly. This summer a party of geologists travelled over the line on their way into the Gaspé Peninsula. Their experience on the railway caused them to change the name of the line. Bridges along the line are not as strong as some of their brethren on other railways, and the engineer and fireman of the particular train in which the geologists were travelling, took no chances. Before crossing a particular bridge, it is the custom for the engineer to walk across it. The fireman then starts the engine and jumps off the running board to the ground. When the train gets across the bridge, the engineer hops on and everything is in order again. Also the riding qualities of the rails remind one of a bucking broncho, and this led one of the party to rechristen the line the "Awfully, Queer and Wobbly Railway."

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Business Conditions in Canada

THOMAS VISIT TO AID BRITAIN, OTTAWA SAYS

Ministerial Salesman Gets Big Orders for British Coal

WAS TRADE MISSION

Interviews on Immigration Merely Herring But Some Practical Suggestions Made

From Our Own Correspondent

OTTAWA.—The opinion in government circles at Ottawa is that British trade will benefit, substantially, as a result of the visit to Canada of the Rt. Hon. J. H. Thomas. In conversation here before his departure for Montreal he expressed himself as highly satisfied with the reception accorded him not only by the government but by the business men of the Dominion. He intended, at that time, to go home and tell the British manufacturers of the great opportunities which Canada has to offer in the way of increased trade, if only they will come out and go after the business.

In regard to actual sales, it is stated on good authority, that Mr. Thomas in addition to placing 100,000 tons of anthracite coal with the Canadian Pacific, arranged with the Canadian National to take a similar tonnage. He also is said to have sold some coal to Price Brothers of Quebec.

Why Only Anthracite

As a matter of fact Mr. Thomas very nearly sold a large tonnage of bituminous coal to the railway companies, to be used in the Quebec area. The railways desired to buy this coal to supplant United States fuel, but hesitated to do so because of possible repercussions in Nova Scotia. It was felt that Nova Scotia would resent such purchases. The matter appears to have been talked over in Ottawa while Mr. Thomas was here, and the upshot apparently was to restrict the imports from Britain, for this year, to anthracite, which is used largely in the dining cars.

There seems to be an impression abroad that Mr. Thomas came to Canada chiefly to dicusss immigration problems and that he made great headway in this regard when in Ottawa. As a matter of fact very little was said about immigration. Mr. Thomas came here actually on a trade mission. The fact that the other impression got abroad was due to the astuteness of the British minister who conceived the plan, while aboard steamer, of giving out interviews in regard to immigration so that the general public might become interested in that—while he did his trade mission in comparative secret and without interruption.

Might Bring Young People

The question of immigration was discussed here only casually but one or two proposals were advanced for the consideration of the Canadian government. Mr. Thomas suggested that the British war pensions and old age pension acts should be amended so that these pensions would continue to be paid from the British treasury after pensioners had migrated to other parts of the Empire. The proposal is that many of these pensioners have families of young people and would like to bring them out to Canada but are unable to get along without the pension and therefore stay in the United Kingdom.

From the viewpoint of the government at Ottawa there is no criticism of this proposal. It is believed that a policy of this kind would stimulate the immigration of young children, who make splendid citizens because they are more easily assimilated than are older people. The Canadian government, therefore, will notify the British government that there is no objection to the enactment of legislation of this kind.

Reindeer Industry Boosted

Canada's reindeer industry takes a big forward step this year with the trek of 3,000 northern animals from Alaska into the Dominion. In November this herd, secured by Canada from the United States herds in Alaska, will begin a trek which will take 18 months and will land the animals, in 1931, on the Arctic coast, east of the Mackenzie River. A. E. Porsild, botanist for the Northwest Territories Branch, Department of the Interior, at Ottawa, is on his way to Nome, whence he will go by ship or airplane to Kotzebue for the start of the movement.

Fall Prospects Good in U.S.-Canada

	Canada	United States
Commodity Prices:	Wheat still firm at 20 cent premium above Chicago.	Prices drop to 4 p.c. below 1928 level.
Iron & Steel:	Pig iron production reaches new all-time high.	Continued recession, but still above last year.
Foreign Trade:	August wheat exports only 40 p.c. of last year.	Merchandise imports continue at very high level.
Employment:	Construction and iron industries busy. Textiles and automobiles slack.	Iron and steel, agriculture, automotive, building and rubber industries lead.
Car Loadings:	Heavy movement in East more than offsets losses in West.	Further high records for this time of year.
Stock Markets:	Movements very cautious with considerable nervousness.	Little incentive for action except in volatile issues.
Credit:	Money seems plentiful for needs of fall business.	Efforts still bent on financing business expansion and curtailing speculation.
Agriculture:	Threshing curtailed by rains but well ahead of last year. Wheat grades exceptionally high.	Generally good crops expected for most areas, with price prospects excellent.
Trend:	Fall business promises well, and should at least maintain average of last year.	Retail distribution due for substantial expansion this autumn and for balance of year.

Used Cars Plug Market As Motor Car Makers Fail to Spur Turnover

Too Fast a Pace at First of Year and Lack of Big Changes Cause Present Slack in Production —Building, Pig Iron at New Highs

A Weekly Review of Business Conducted by The Financial Post

In 1920 only 10 per cent of the cars manufactured in Canada were of the closed variety, the remaining 90 per cent being open types. Today, between 75 and 80 per cent of all cars manufactured are closed cars. In a much shorter time the balloon tire has almost entirely replaced the high pressure variety, while there is now scarcely a car on the market that dare show itself until it is equipped with four wheel brakes.

Last year the capacity of the automobile plants in Canada was 366,000, while output was only 242,000. In other words, in spite of the fact that approximately 65,000 cars were scrapped during the year, automobile manufacturers were only able to keep their plants working at 66 per cent of capacity. Taking the production figure for August this year, it is noticed that the output is the lowest recorded for any month of the year to date and less than one half the output in August of last year.

Pace Too Fast

As far as the year's figures as a whole are concerned, it is found that although the total is still 21 per cent higher than in any preceding year, it is due almost entirely to a record-breaking production during the first four months of the year. In those months, production reached a new high all-time level, but apparently the pace was too great, for in May, or exactly one month earlier than is the case in the average year, production dropped sharply and has been dropping ever since.

Apparently the problem boils down to one of the used car. At the moment there is glut of used cars on the market and in addition to the fact that there have been no revolutionary changes, two factors have tended to curtail buying power of new cars. The first is a hesitancy as to the Western situation and the second, the fact that the lack of large profits on the stock exchange has prevented considerable purchasing that would otherwise have occurred.

The point of interest, therefore, is whether or not another revolutionary change can be brought into vogue by the motor moguls. Three or four prospective changes appear on the horizon but whether or not they will prove revolutionary is hard to say. For instance, the four wheel drive is making its appearance; laminated glass is becoming sufficiently common so as to make owners wonder whether they are justified in risking the hazards of driving cars not so equipped; the internal mesh gear is hailed as a startling advance, and finally the "four speed forward" gear shift has appeared in several models.

Any one of these changes is perhaps enough, under certain circumstances, to bring on obsolescence of present models earlier than the owners suspect. In the meantime, the industry is somewhat in the doldrums and reports from manufacturers of raw materials, whose market is the motor manufacturer, show very little buying for the fall and winter months.

Two New Records

Two branches of industrial activity that have turned in very good reports of themselves during the summer months are the pig iron and the construction industries. In the former, the August figure set a new all-time high water mark with an output of 112,528 long tons, which is an increase of 23 per cent over the corresponding figure last year. It is pointed out in this connection that only on four previous occasions in Canadian pig iron history has the 100,000 ton mark been exceeded. An additional blast furnace was blown in also during the month, at Sydney, N.S., making a total of 11 now in blast in Canada, of which 4 are at the Soo plant of Algoma Steel; 4 at the Besco works in Nova Scotia; 2 at the Steel Company's plant at Hamilton and the remaining one at the Canadian Furnace Co. plant at Port Colborne, Ont.

As for building activity there is apparently still no let-up in this important phase of industry. The value of building permits issued during the first eight months of the year amounted to $168,605,000, which is a 16 per cent increase over the previous high record achieved in 1928. The August figure was $21,560,361, which was over 23 per cent higher than the corresponding figure a year ago. Five out of the nine provinces recorded gains as against last year, while Nova Scotia, Quebec, Manitoba and British Columbia showed reductions. Quebec showed the largest drop of 9 per cent.

Coke Production Attains New High

From Our Own Correspondent

MONTREAL. — The attainment of a new high monthly production figure of 230,700 tons and a 20 per cent. increase for the second quarter in 1929, are features of a quarterly report on coke production in Canada.

While Canadian production jumped 20 per cent, however, imports showed a sharp decline, dropping from 348,000 tons to 223,000. As was to be expected, coke sales fell off sharply during the quarter, but the amount transferred to associated smelters advanced substantially and the quantity charged to coke ovens was also higher.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly			
	Latest		Cumulative for Year	
	1929	1928	1929	1928
C.P.R. Gross earnings (Sept. 14)	$ 4,648,000	$ 4,461,000	$ 143,285,000	$ 140,013,000
C.N.R. Gross Earnings (Sept. 14)	$ 5,523,752	$ 5,602,115	$ 183,769,713	$ 174,076,062
Car Loadings (Sept. 7)	70,119	81,293	2,408,659	2,362,076
Stock Index (Sept. 19)	1227.5	476.5	......	......
Production—		Monthly		
Pig Iron, tons (July)	99,786	95,422	618,343	563,435
Steel, tons (July)	129,827	82,807	868,669	731,145
Newsprint, cwt. (Aug.)	225,873	200,656	1,766,216	1,546,167
Automobiles (Aug.)	14,215	31,245	220,036	181,459
Boots and Shoes, pr. (July)	1,483,544	1,429,108	10,196,264	10,652,935
Flour, bbls. (June)	1,545,000	1,359,000	9,832,000	8,864,000
Construction—				
Building Permits (July)	$ 22,826,034	$ 25,761,956	$ 147,030,023	$ 127,798,943
Contracts (Aug.)	58,622,000	39,448,500	394,684,000	334,065,400
Labor—				
Employment Index (Aug.)	127.8	119.3	......	......
Trade—				
Imports (July)	$ 114,201,000	$ 103,404,000	$ 778,570,364	$ 692,036,238
Exports (July)	$ 102,219,000	$ 125,531,000	$ 689,965,827	$ 705,990,648
Imports of Key Products—				
Rubber, lbs. (July)	7,178,000	6,030,000	53,808,000	37,694,000
Cotton, lbs. (July)	6,447,000	7,462,000	84,514,000	73,634,000
Sugar (July)	2,946,808	3,287,726	....	....
Petroleum, crude, gals. (July)	117,725,296	74,986,000	520,773,000	419,165,000
Coal, tons (July)	2,023,309	1,234,591	9,424,092	6,268,723
Exports of Key Products—				
Newsprint, cwt. (July)	3,993,844	2,349,110	27,555,312	24,656,729
Automobiles, No. (July)	7,378	8,057	67,269	34,808
Wheat, bush. (July)	17,019,015	32,426,000	134,251,973	145,255,855
Wheat, flour, bbls. (July)	835,593	782,453	6,741,177	5,699,758
Electric Power—Output—				
M. Kilowatt hours (July)	1,410,709	1,248,365	9,977,732	8,994,562
Population—				
Emigration (May)	5,197	4,498	23,729	23,700
Immigration (June)	22,021	20,303	101,359	93,596
Finance—				
Failures, No. (July)	147	139	1,284	1,107
Failures, Liabilities (June)	......	......	$ 15,940,918	$ 20,993,035
Bank Debits (July)	$4,004,000,000	$3,481,643,830	$26,839,000,000	$24,607,575,840
Bond sales (Aug.)	$ 2,644,038	$ 6,579,800	$ 387,324,792	$ 302,573,151
Insurance Sales (July)	$56,078,000	$ 49,492,000	$ 362,818,000	$ 329,989,000
Wholesale Prices (1913=100)—				
General Index (Aug.)	98.1	95.4	......	......
Iron	93.9	92.7	......	......
Cottons, raw	99.0	100.2	......	......
Grains	110.0	93.5	......	......
Cattle	108.3	108.5	......	......
Rubber	65.1	71.9	......	......

ELECTRIC SUPPLY AND ALLIED GROUPS SET NEW RECORD

Industry Heads Toward $100,000,000 Mark in 1928

From Our Own Correspondent

MONTREAL. — The growth of Canada's electrical apparatus and supply industry is amply illustrated by a survey for the year 1928 conducted by the Dominion Bureau of Statistics at Ottawa.

In that year a new all-time record of production with a value of $93,672,000 was reported which is a 19 per cent increase over the previous year. The industry is rapidly approaching the $100,000,000 mark from point of view of production, while substantial increases have been made in the number of persons employed, the amount of capital in use, the number of plants and so forth.

The following table, which indicates the growth during the past five years, shows that the industry has regularly gained from 12 to 20 per cent each successive year in the period under review.

There are now 137 firms reporting in this industry as against 109 in 1924. The amount of capital employed is now $87,952,000 as against $72,301,000 five years ago. The number of employees has increased by nearly 5,000 and now stands at over 18,000.

	No. of plants	Selling value of products at works
1924	109	$56,490,000
1925	122	60,158,000
1926	132	69,767,000
1927	130	78,558,000
1928	137	93,672,000

Classification

Wire and cable	$17,757,000
Radio apparatus	8,894,000
Batteries and parts	8,189,000
Transformers	7,706,000
Telephone material	7,162,000
Electric motors and parts	5,632,000
Incandescent lamps	5,137,000
Generators	5,041,000
Light and power switchboards	2,955,000
Switches	2,495,000
Vacuum cleaners	2,428,000
Cooking and heating apparatus	2,236,000
Pneumatic tools and parts	2,046,000
Lighting fixtures	1,632,000
Motors	1,566,000
Conduits and moulding	1,244,000
Controllers	1,045,000

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COD OIL PRODUCED IN NEWFOUNDLAND BY MANY PLANTS

Old Dominion Stepping to Front in World in Industry

That Newfoundland is rapidly taking her place as the greatest producer of crude and medicinal cod liver oil in the world, is evinced by the recent visit of Dr. J. C. Drummond, of London University, and Dr. Philip B. Hawk, of New York, to investigate the methods of manufacture and the resources of the Newfoundland fisheries, where the largest supply of cod liver oil in the British Empire is to be found.

The Squibb-Munn Cod Liver Oil Company, one of the largest producers of cod liver oil in America, has erected a factory at Harbour Grace, where the oil is first collected and selected. The company has besides about 150 factories rendering out oil in the best fishing localities of the Island.

At Harbour Grace the company have tanking facilities for 5,000 barrels and every ingenuity of mechanical science is used to handle the oil without exposure to the air, which is the greatest destroyer of vitamin. The tanks contain upwards of 1,000 barrels each and thoroughly mixed samples from each tank are forwarded to New York for vitamin testing. The Drummond color test with the Tintometer, by which the vitamin potency of the oil is shown, is rapidly gaining in favor, but the American firms consider that while acid testing is a quick method, it is only an indication and the final analysis must be animal testing.

Both Dr. Drummond and Dr. Hawk stated that while the steam refining plants where the oil is rendered from the livers are very similar, and compare most favorably with those in Norway, the filter-chilling presses of the Squibb-Munn Co., are far superior to anything seen in Europe.

Leading Canadian Industry

Net value of production of the pulp and paper industry has headed the list of Canadian industries since 1920, when it replaced the saw mills.

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We plan now to give publicity to common faults in telephone usage in the hope that there may be a mutual effort to maintain high efficiency of telephone service.

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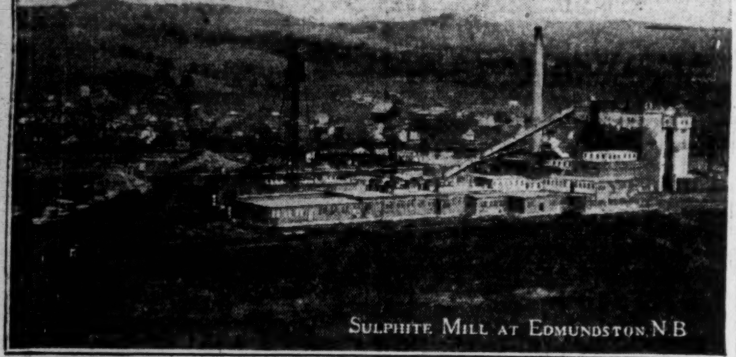
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Pulp & Paper

VAL JALBERT UNIT TO BE DISMANTLED BY QUEBEC P. AND P.

Capacity of Plants Now Limited to 350 Tons Daily

MARKET DEPRESSED

Demand Declined With Decrease in American Newsprint Production

From Our Own Correspondent

MONTREAL.—Dismantling of the Val Jalbert plant, has been undertaken by Quebec Pulp and Paper Corporation. This mill has a capacity of 125 tons of groundwood pulp daily, but has been inoperative for some time.

Quebec Pulp and Paper operates three groundwood mills, two at Chicoutimi and one at Val Jalbert. The total capacity of all three mills is 450 tons of groundwood pulp a day, but with the dismantling of the latter plant, production will be limited to 350 tons daily.

The reason for the dismantling of the Val Jalbert mill is owing to the depressed state of the groundwood pulp market. At one time there was a ready market for this pulp in the United States, where it was used in the manufacture of newsprint. In the last two or three years, however, production of American newsprint mills has been steadily declining, with the result that the demand for groundwood pulp has fallen off.

One Mill Operated

Accordingly the Val Jalbert plant was closed down some time ago, while mill number two at Chicoutimi has operated only intermittently, though number one mill at Chicoutimi operated throughout the whole of last year.

Quebec Pulp and Paper Corporation is jointly controlled by Price Bros. and Port Alfred Pulp and Paper Company. There is, however, some $7,000,000 of preferred stock outstanding in the hands of the public. This stock is looked upon as having good possibilities, because the company has under its control timber limits, mostly freehold, estimated to contain some 5,000,000 cords of pulpwood, about 53,000 horsepower of hydro-electric energy, of which 36,000 horsepower is developed; valuable industrial sites at Val Jalbert; two groundwood pulp mills at Chicoutimi; and a large and moderately equipped machine shop at the same point. These assets have an appraised value of approximately $14,000,000, though carried on the books at considerably below that figure.

Report Showed Loss

The report of Quebec Pulp and Paper Corporation for the past year showed a loss of close on to $400,000. It was explained at that time that this result was not unexpected in view of the state of affairs in the groundwood pulp market and that the shareholders could not expect any material improvement in the earning position of the company for some time to come. Meanwhile steps were being taken to conserve the assets of the company and, where possible, to liquidate holdings.

Shawinigan Benefits by Quebec Power Stake

From Our Own Correspondent

MONTREAL.— Shawinigan Water and Power will benefit appreciably by the recent offer of stock rights and increase in dividends of Quebec Power. Through ownership of over 54 per cent of its subsidiary's common stock, Shawinigan holds about 271,553 shares of Quebec Power.

The Cash value of the parent company's rights is over $1,000,000, while the increase of 50 cents a year in dividends will net Shawinigan about $135,000 more than the present return on its holdings.

It is unlikely that Shawinigan will sell its rights; accordingly it may be supposed that its stake in Quebec Power will be augmented by the addition of some 27,000 shares of common, which will yield a return, at the new dividend rate, of 5 per cent on their purchase price of $50 a share.

PULPWOOD OUTPUT OF ST. REGIS PAPER SHOWS GOOD GAIN

Expects to Cut About 5,000 Cords More Than Last Year

From Our Own Correspondent

MONTREAL.—St. Regis Paper Company anticipates taking out about 60,000 cords of pulpwood through its Godbout operations this year. Last year the company produced about 55,000 cords.

This pulpwood is gathered on the company's limits and shipped by water to Watertown, N. Y. A fair percentage of the volume of traffic is handled by the company's own ships, though, it is necessary to charter a number of other vessels, as the average loading per ship only amounts to about 1,100 cords. Between 50 and 60 round trips are necessary for the transportation of this pulpwood from the limits to the point of debarkation.

St. Regis Paper has been operating in northern Quebec for many years. Its timber limits in that area are valuable and some time ago the company announced its intention of constructing a newsprint mill to make for greater utilization of the pulpwood. About that time the newsprint market became unsettled and plans were deferred. The matter is still in abeyance, but at some future date St. Regis will likely undertake the construction of a newsprint mill.

The parent company in the United States recently changed its capital structure and offered rights to the shareholders, proceeds of such to be used for the acquisition of the Bates Valve Bag Company, and other acquisitions. As a result St. Regis is now looked upon as one of the large pulp and paper operators in the United States.

Operate Air Service

The commercial air service between Duluth and the Head of the Lakes is now operating on a tri-weekly basis, using five-passenger seaplanes.

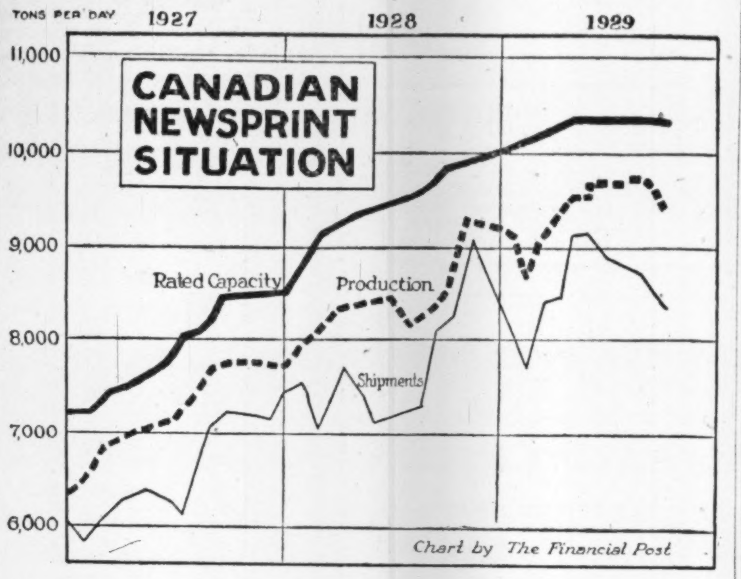

Chart by The Financial Post

MANITOBA PAPER FAILS TO OBTAIN PROVINCIAL HELP

Original Area Does Not Contain Cordage Stipulated

From Our Own Correspondent

OTTAWA.—The settlement of the natural resources controversy in regard to Manitoba would appear to be exerting an unfavorable influence upon the treatment being accorded to the Manitoba Paper Company in the matter of pulpwood reserves.

This company in 1927 issued bonds to provide a mill with a productive capacity of 250 tons of newsprint per day and did so upon the explicit understanding that the Dominion government would ensure to it a wood supply equivalent to 6,000,000 cords. The mill was constructed and the Dominion government set aside a large area in the middle north of the province from which pulpwood areas were to be selected for the company. These selections were to proceed until the 6,000,000 cords were obtained, when the remaining parts of the area were to be released for commercial exploitation by other companies.

Mean Delay for Company

In the intervening two years the timber cruisers of the company and the government have gone over this area and it is now announced that the entire area set aside in 1927 only holds 2,516,243 cords of pulpwood. The company has asked the government to take the necessary action to increase the reserve supplies of wood and while the Dominion government is willing to do so, the provincial government appears to delay the final settlement until the control of these resources has passed definitely out of the hands of the Dominion and into the hands of the provincial government.

An agreement in this regard has been arrived at and the necessary legislation to effect the transfer of control will be put through at the next session of parliament. If the provincial government insists upon delay, and it seems probable that it will, then the paper company will have to wait for at least one year for action, and in the meantime other private companies are becoming interested in newsprint development—such as the British syndicate which holds a priority permit for White Mud Falls on the Nelson River—and it may become increasingly difficult to do justice to the needs of the original company.

The Dominion government not only has suggested to the province that immediate steps be taken to augment the supplies of the Manitoba Paper Company, but has set out definitely how this may be accomplished without injuring any other newsprint mill site within the province. As yet, the province has declined to co-operate in the matter.

Calgary Building Permits Up

During the month of August building permits valued at $1,682,000 were issued. In the same month last year, the value of permits issued was given as $692,880. For the whole of 1928, building permits to the value of $6,302,142 were issued. To date the increase over the whole of last year is $1,763,780. The eight months of 1929 exceed the same period in 1928 by $3,187,888.

Big Maritime Holdings May Go to International

From Our Own Correspondent

MONTREAL.—Rumors of an $8,500,000 sale of pulp lands in New Brunswick to International Paper Co. [illegible]e heard this week.

The area in question is at present owned by the New Brunswick Railway Co., all of whose lines are operated under a 999 year lease by the C.P.R. If consummated it will be one of the largest lumber transactions to take place in the province.

The New Brunswick Railway Co., in addition to its 441 miles of road, owns also some 1,600,000 acres of valuable land and properties in northwestern New Brunswick. The area in question which is reported as being shortly transferred to Canadian International Paper, consists of large tracts in the counties of Madawaska, Victoria, Carleton and York. Very heavy timber is found on these lands and it is understood that when the sale takes place it will include soil rights in addition.

International Paper Co. have had options on the property for some time, but apparently it is only recently that the decision has been made to exercise the options.

A Valuable Addition

If the options are taken up it will mean that International will own new and valuable timber areas in New Brunswick, from which it can supply its two New Brunswick mills. One of these is now under construction at Dalhousie, N.B., and a few weeks ago the company announced that it would shortly undertake the construction of another pulp mill at Chatham, N.B.

Early in 1928 the company acquired timber licenses covering 832½ square miles of Crown lands in Restigouche, N.B., from Fraser Companies, Ltd., and from subsidiaries of the latter. These brought the total reserves of the company in New Brunswick up to 2,755 square miles. Later on in the year the company incorporated a new subsidiary called the New Brunswick International Paper Co., which is owned entirely by International Paper, to operate the company's limits in the province and to construct and operate the company's new paper mill there.

Railway Holdings Valuable

The New Brunswick Railway was chartered by the New Brunswick Legislature in 1870 as a narrow gauge railway. As already mentioned, its railway properties are leased to the C.P.R. for a period of 999 years. It has capital stock outstanding amounting to $3,000,000 and for a great number of years has paid substantial dividends to its shareholders from the sale of lands and lumber. It is not known definitely whether the present deal will dispose of the company's total holdings or only a part.

WOOD PULP EXPORTS JUMP 33 PER CENT

Newsprint Exports Also Higher During August

From Our Own Correspondent

MONTREAL. — Continued improvement in the Canadian newsprint situation is reflected in the monthly statement of pulp and paper exports, issued this week by the Dominion Bureau of Statistics at Ottawa. The August figures for both newsprint and wood pulp exports show substantial increases both over the corresponding figure for last year, and over the July, 1929, exportations. Total exports of pulp and paper were $17,469,227 as against $15,563,475 in August, 1928, and $15,444,331 in July, 1929.

On a percentage basis, the August figure for newsprint exports is 13 per cent above August, 1928, while the exports of wood pulp are 33 per cent higher than the figure for the corresponding month a year ago.

The following figures show the detailed amounts as compared with the previous month:

	August 1929 $	August 1928 $
Paper		
Newsprint	12,639,566	11,473,052
Others	517,614	472,218
Total	13,177,180	11,945,270
Pulp		
Sulphate	767,921	698,351
Sul. (bl.)	1,904,507	1,519,578
Sul. (unbl.)	966,515	840,455
Mechan.	557,646	500,216
Screenings	75,458	59,605
Total	4,272,047	3,618,205
Total, pulp & paper ..	17,469,227	15,563,475

The distribution is as follows:
Exported to:

	Paper	Pulp	Total
U.S.A.	10,962,341	6,506,886	17,469,227
U. K.	902,578	656,718	1,559,296
Others	1,312,261	1,023,969	2,336,230
Total	13,177,180	8,187,573	21,364,753

Potato Prices High

High prices for potatoes this year are predicted by H. A. Watson, a large dealer at Fort Fairchild, Maine, as a result of the cut of 24,000,000 bushels in the latest United States crop estimate, which reduces the crop to 349,000,000. He predicted a range of prices from $7 to $10 a barrel, when interviewed in Woodstock, N.B.

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Your Investments

Investment questions and problems submitted by subscribers of "The Financial Post" will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Mount Royal Hotel

I hold a $500 convertible debenture in the Mount Royal Hotel Company, dated September 1, 1921. Where can I exchange this debenture for the new preferred shares and what amount is due me on this security?

You should turn in your $500 Mount Royal Hotel debenture, as soon as possible to Montreal Trust Company, Montreal, and you will receive in return five shares of new 6 per cent preferred stock in the company; one-half share of common stock; plus $125, and back interest from 1927.

Canada Power and Paper

Which do you consider the better stock, Canada Power and Paper or Peter Lyall Construction Company? Is there anything to cause the big drop in Lyall stock?

The newsprint industry, and the pulp and paper situation generally, is substantially improved in comparison with the situation prevailing last year. Canada Power and Paper is one of the largest companies in this field and we think its securities might well be included in your holdings.

P. Lyall Construction Company has gone into liquidation.

Abitibi

Some Abitibi stock which I hold shows me a profit at present. I have thought of selling, nevertheless I would like to have your opinion before I make this move.

The newsprint situation is substantially improved, and the outlook for the paper companies is brighter than it has been for the past year. Abitibi's position, of course, is strong, and the possibilities of a merger in the future is a further reason for the retention of this stock.

Bell Telephone

Will you kindly let me know what your opinion is of the new Bell Telephone issue of $125?

We would recommend that you take up your rights on the new issue of Bell Telephone stock, which is being offered to shareholders, at $125 a share. This is one of the soundest companies in the Dominion, is expanding steadily, and over the next four or five years should issue more valuable rights to the shareholders. On its present dividend of eight per cent, the stock returns you a good dividend in view of the general average prevailing.

Imperial Tobacco

Would you please give me some data regarding the capitalization of the Imperial Tobacco Company?

The capital structure of Imperial Tobacco Company of Canada is as follows:

Preferred: 1,999,995 shares authorized, 1,650,000 shares outstanding of par value £1.

Common: 10,800,000 shares authorized, 9,102,192 shares issued, par value $5.

There is no funded debt. A dividend of 6 per cent is paid on the preferred and common shares, while a bonus of 10c. a share was distributed on the common stock last year, in addition to the regular dividend of 30 cents.

Aviation Stocks

Please give me your opinion on what you consider the leading aircraft company in Canada and what are its prospects?

Though there is undoubtedly a great future before commercial aviation in Canada, it is only natural that at present, investment in Canadian aviation stocks is somewhat speculative. There are but few companies operating in Canada in which there is an investment interest, among the leaders are De Havilland Aircraft, Curtiss-Reid Aircraft, Aero Engineers of Canada, and indirectly, Canadian Vickers.

These companies will progress with the growth of aviation in Canada, though Canadian Vickers' production of aircraft is only a minor department in its total business.

If you purchase stock in these companies, you should be prepared to hold on to it for some years.

Industrial Alcohol

Will you be good enough to give me some information regarding Canadian Industrial Alcohol. I was told that some of the directors have resigned. Is this true?

While earnings of Canadian Industrial Alcohol for the current fiscal year are not expected to equal those of last year, we understand that operations are satisfactory and earnings are sufficient to take care of dividend requirements.

The company is one of the leaders in its particular field, and occupies a strong financial position.

The only change in the directorate of Canadian Industrial Alcohol is the retirement of Henry Joseph from the board. His place will not be filled until the annual meeting is held in December.

Montreal Terminals

I would be glad if you could inform me of the value of preferred shares of the Montreal Rail & Water Terminals, Limited. I have been unable to get a quotation on this stock from local brokerage houses.

We understand that there is no market at the present time for the preferred shares of Montreal Rail and Water Terminals, Limited.

However, there is a possibility of some dividend action being taken, and in that case it is possible that a market will be established for the stock.

Oil Shares

I bought some shares of Oil Shares Incorporated at $87 per unit. They are now quoted at $72. Should I sell this stock and buy some others with better prospects, or would you advise me to hold on to this stock.

We understand that earnings of Oil Shares Incorporated are satisfactory.

You made your purchase at the time the shares were at their peak, and recession is due partly to the general market recession and partly to lack of sponsorship marketwise. We think that the shares might be retained, rather than sold at a loss.

East Kootenay Power

I would like your opinion on the common shares of East Kootenay Power and West Kootenay Power.

The outlook for the east Kootenay Power Company is satisfactory. The company is expanding its operations in the territory it serves and earnings to date show a substantial increase over the same period last year.

The company is controlled by Power Corporation of Canada, and there is little trading in the shares. Eventually this company will have to carry out some more financing. There is no public investment interest in the common stock of West Kootenay Power. It is all held by the Consolidated Mining and Smelting Company.

International Utilities

Would you recommend the "A" shares of International Utilities as a first class investment? Do you think the stock will appreciate in value in the near future?

The shares of International Utilities can hardly be ranked as a first class investment. The stock might be included in a diversified list of securities.

The company has been expanding its activities in the West, and has undoubtedly felt the benefits of the industrial expansion occurring in the territories served.

Whether you buy the shares depends largely on your own financial position and the extent of your other holdings. There are other sound utility stocks which perhaps offer you more chances for market appreciation, though International Utilities, as a business man's purchase, has attractions.

Canadian Industries

What is your opinion of Canadian Industries Corporation. Kindly let me have some information on this company.

Canadian Industries Corporation is one of the leading chemical concerns in Canada and has a good record of progress and achievement to its credit. The shares, however, are closely held and are difficult to obtain. The company is controlled jointly by Imperial Chemical Industries Limited of Great Britain and the Dupont De Nemours Company of the United States.

The company was entirely recapitalized in 1927 at the time when the name of the company was changed from Canadian Explosives to Canadian Industries, Limited. At that time common shareholders received six new shares for every one then held.

Canadian Hydro-Electric

Will you give me what information you have on file regarding Canadian Hydro Electric Company? Do you consider the preferred stock a safe investment?

Canadian Hydro-Electric Corporation is controlled by International Hydro-Electric System which is a subsidiary of International Paper and Power Company.

Canadian Hydro-Electric controls through stock ownership the Gatineau Power Company which owns and operates water power with an installed capacity of over 602,000 horsepower on the Gatineau River; the Gatineau Electric Light Company which operates a group of transmission lines and distributing systems around the Gatineau area; and the St. John River Power Company which operates a power plant on the St. John River at Grand Falls, N. B. These constitute the entire Canadian power holdings of International Paper and Power Company.

We consider the preferred shares of this company a good investment. The company is now reaching the peak of its output for most of its plants have been built within the last year or so. The outlook for the company is good and a substantial amount of its power is sold on long term contracts to users such as the Ontario Hydro-Electric Power Commission.

Melchers Distilleries

Are the current operations of Melchers Distilleries satisfactory? What do you think of this stock as a buy? Are the shares listed?

We understand that earnings of Melchers Distilleries are satisfactory. Dividends on the "A" stock have been paid regularly. The company has completed an addition to its plant and has added one or two new lines to its present products.

We understand that it is the intention of the management to list the shares at some future date when market conditions are more favorable. Owing to the uncertainty in the liquor export market, we feel that the shares should only be included in a diversified list of sound securities.

Canada Gypsum

Do you consider Canada Gypsum & Alabastine a good buy at the present time, to hold for two or three years. Has the stock been split?

For a two or three year old the shares of Canada Gypsum and Alabastine can be considered a satisfactory purchase. The company has made excellent progress since its formation and current operations are reported to be favorable.

Building construction in Canada is an important factor in the operations of Canada Gypsum. Industrial expansion in Canada has created a record volume of construction work in the past year, and Canada Gypsum has shared in this activity.

The company is a dominant factor in the field it serves and should continue to prosper with the continuance of construction activity.

As you probably know, the stock of the company was split on the basis of four for one a short time ago, and the new shares will be issued in the near future.

Nova Scotia Steel

I hold bonds, preferred shares and common stock in Nova Scotia Steel and Coal Company. Con you give me an opinion as to my position, as I did not exchange my preferred and common shares for securities in British Empire Steel Corporation. The last advice I received was that I could not regard myself as the owner of the above shares. This sounds preposterous and I should like your advice as to my position and so forth.

Also the coupons on the bonds are only paid intermittently and some coupons are still unpaid at the Bank of Montreal awaiting collection.

The position in regard to your Nova Scotia Steel and Coal securities is as follows:

On January 1, 1924, your rights to exchange your preferred shares of N. S. Steel for Besco stock expired finally and for all time. Your shares, however, have a current market value of $10 per share and if you desire you could sell them on the market for this price.

Your common shares, as they now stand, are merely evident of your rights to obtain in exchange shares in Besco. This could be done at any time at the office of the Eastern Trust on the basis of 90 shares of second preferred and 40 shares of common stock of Besco for every 100 shares of Nova Scotia Steel common held. This is the only value your shares have, as by a decision of the majority of the common shareholders, which decision was to be binding on all shareholders, the exchange was made.

Regarding your bonds. The interest has been paid regularly on these but is paid three months in arrears. That is to say, under the deed the company is allowed three months grace in the payment of interest so that the July coupon is about to be paid by the end of this month.

Foreign Power Securities

I would like your advice regarding Foreign Power Securities. What does the company do and what are the prospects for appreciation over a period of one year? Is it an investment or a speculation?

Foreign Power Securities Corporation is virtually a holding company controlling large hydro-electric corporations in France. Its chief holding is in the securities of L'Energie Industrielle and its subsidiaries, a corporation which has been in operation since 1906. The company has large investments in other similar corporations.

The common shares are listed on the Montreal Curb Market and are currently quoted between $40 and $42. The preferred shares are not listed but the present market is between $85 and $90 per share.

We would not be prepared to recommend the common shares as having possibilities for appreciation over a short period but we think you would do well to look at it as an attractive long hold speculation. The preferred shares have good investment possibilities.

Canadian Brewing

A customer wishes to know the high and low prices of Canadian Brewing Corporation on August 27th. Will you also give us a report on this security; why does it yield 10 per cent at present prices?

The high and low price of Canadian Brewing Corporation on the Montreal Stock Exchange on August 27 last, was 21½ and 21.

Our information is that earnings of Canadian Brewing are satisfactory and that the dividend which is being paid on this stock is being earned by a comfortable margin. It is claimed that the company's business in the export market is negligible and that domestic sales in Ontario and in the West are satisfactory.

The low price of the stock is largely due to the general situation in the brewing and liquor industry. Investors are chary of purchasing these stocks while the uncertain situation continues to prevail in the export market.

Though the earnings of Canadian Brewing have presumably not been effected by this factor, the stock has nevertheless suffered in common with its fellow securities.

Lake Superior

As a shareholder of Lake Superior Corporation I should appreciate your opinion on the advisability of taking up shares shortly to be offered to shareholders following ratification of the agreement between Lake Superior Corporation and the railway and terminal bondholders in October.

The statements recently issued by the new president are rather bewildering, to tho average shareholder who may be trying to estimate the value behind his present holdings in view of the proposed new share arrangement. Any light you may be able to throw on this subject will be greatly appreciated.

We expect to publish shortly in "The Financial Post" a story analyzing the whole situation regarding Lake Superior Corporation which should help you in estimating that company's present position.

As regards taking up the new shares' we think you might consider doing this as they will doubtless be offered at an attractive price. However, there seems little prospect, even if the agreement goes through, of their being offered to you until early next year. You have yet some time to make up your mind.

As a matter of fact we do not expect to see any material appreciation in the shares of the company in the immediate future. If the company is successful in passing its agreement and subsequently secures new capital to enlarge its rail mill, its earning power should be increased. In the meantime there will be a period of perhaps a year clapse before these increased earnings will be felt.

One factor is the prospect of favorable consideration from the tariff board in the near future.

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When Women Invest

No Haste to Buy Mortgage Co. Stock When Information is Scanty; Imperial Oil as Permanent Investment;

A WEEKLY FEATURE

I am thinking of investing $2,000 in the ———— Mortgage Co. Would it be wise or would you consider this speculative?

The salesman tells me I will get 8 per cent and my principal will slowly and gradually increase.

We regret that we have no information in our office regarding the company you mention.

If you could send us a prospectus or other literature that has come into your hands in connection with the offer of stock we might be able to obtain therefrom and from other sources sufficient information on which to base an opinion. Meanwhile we would suggest that you hold off purchase of this stock. There are always good investments available and it will do no harm for you to investigate thoroughly before making a commitment.

Imperial Oil

Would you please give me advice on Imperial Oil stock as an investment, or would you suggest some other investment?

For a person who does not require immediate income from his or her investment and who is prepared to be reasonably patient, we do not know of any better investment than Imperial Oil.

The stock has appreciated somewhat rapidly in market value in recent weeks and, if the stock market conditions are unfavorable, there may be a recession in the next few weeks. Possibly it could be bought at lower price. But the history of Imperial Oil has been one of fairly steady advance and many persons have failed to get stock in this company because they have waited for an expected drop in price.

You perhaps have noted that the imports of crude petroleum into Canada have recently been at unprecedented figures. This means that more gasoline is being consumed. There are more automobiles every year and all automobiles are being driven farther than formerly. Then there is the growing consumption for airplanes, for heating purposes and for scores of other purposes.

Imperial Oil is by far the biggest company in this line of business in Canada and no part of the country can progress without directly and indirectly benefitting Imperial Oil.

We do not know if the present price is too high. The price of the stock always seems too high. But it almost always is steady in its advance, the recessions being negligible and of little interest for the person who buys the stock as a permanent investment. The stock market trader is not always so wise or so fortunate as he would like to be. The investor who is prepared to be patient often is rewarded more quickly than he expected.

Investment by Mail

Twenty years ago Greenshields & Co introduced a new factor into the investment business of Canada by founding a department for the conduct of investment by mail.

Experience counts in this as in other fields of endeavour. The building up of an organization of trained correspondents, equipped with knowledge of the many phases of the investment business, a sympathetic understanding of investors' problems and an eagerness to co-operate with all inquirers for information is a matter of slow evolution.

This organization's experience, which has been used successfully by thousands of investors, is freely at your disposal.

Address your inquiry to our Correspondence Department.

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Announcement
THE MARITIME TRUST COMPANY
Announce the opening of their executive offices
104 PRINCE WILLIAM STREET
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The Company will act as Executors, Administrators, Trustees, Transfer Agents and conduct a general Trust Company business.
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For Nova Scotia, Cyril W. Stairs, Halifax.
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For Prince Edward Island, George D. DeBlois, Charlottetown.
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FRANK STANFIELD, ESQ., Truro, N.S.; President, Stanfields, Limited; Director, The Acadia Trust Company; Director, Moir's, Limited.
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PRESSED METALS WILL RETIRE ITS PREFERRED STOCK

Shareholders Have Privilege of Converting Into Common

SALES HAVE GAINED

Diversification of Product Induces Very Material Increase in Profits

Pressed Metals of America has followed in the wake of a number of the other industrial companies in calling its preferred stock for redemption. Rights in this connection must be exercised on or before December 14 next. The charter provided that the preferred should be redeemable at 105, with the option of converting into common on the basis of four common for each preferred at any time prior to July 1, 1935.

The preferred stock at the time of the announcement was quoted at $165 bid and the common figured in the trading at 41, thus giving a conversion value to the preferred of $164 a share. It is obvious, therefore, that the preferred shareholders will not wait until the conversion date to take action but will, with as little delay as possible, offer their shares for conversion, taking advantage, in this way, of the higher figure presently obtainable.

Exercising Conversion Privilege

At the time that the annual report of the company was issued for the fiscal year ending December 31, 1928, there were outstanding 31,950 shares of the preferred. In the interval that has elapsed since then it is understood that the management have been gradually buying in the preferred, so that today there is a comparatively small floating supply to be affected by the conversion feature now offered.

When the directors in June last authorized the issuance of rights to purchase one additional share at $15 a share for each ten shares held, they did so in order to secure the funds necessary to make an extensive addition to the company's plant at Marysville, Mich. This addition is now well on the way to completion, and, so soon as it comes into production, it is expected that it will improve the strong showing from an earning's standpoint that the company is known to be making. The work of extension, however, will not be finished in time to make any important difference in this year's profits.

Profits Have Increased

At the time the rights were issued it was stated officially that the profits for the first four months of 1929 had increased more than 15 per cent over the corresponding period in 1928, while sales for the same period had increased slightly more than 7 per cent. Both profits and sales during the past eight months have shown an increase of triple the amounts mentioned, so that results for the entire year, it is reasonable to assume, will be materially in excess of those of last year.

These results have been secured mainly owing to the fact that the product of the company is now diversified in a manner that was not in evidence in other years. At the outset the company only turned out bushings for automobiles but it is now going into the manufacture of other commodities through its own exclusive processes. These include thirty-inch pipes for use in internal combustion engines, a variety of supplies used in the plumbing trade and the adoption of other features appertaining to the motor industry.

Position of Common

The retirement of the 7 per cent cumulative preferred stock will naturally strengthen to a marked extent the position of the common stock. The latter at the moment carries a dividend at the rate of $1 a share per annum, at 41 giving a return to the investor of 2.43 per cent. A bonus of 25 cents a share also was paid last year. Further protection was given to the preferred in the following provision:

"No cash dividends on common shall be paid during the years 1927 to 1929, inclusive, unless the corporation has a surplus of undivided profits over such dividends sufficient to provide for dividends on preferred for a full period of two years. This restriction shall not preclude the paying of stock dividends on common."

The earned surplus of the company was many times in excess of the required amount, but there will be no restriction on dividend payments on the common stock beyond those which directors feel to be called for as a conservative provision against fluctuations in trade, the necessities of maintaining their present highly liquid position, and of providing for any future expansion which may be needed.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of 1¾% has been declared on the Seven Per Cent Cumulative Preferred Stock of Abitibi Power & Paper Company, Limited, payable the 1st day of October, 1929, to shareholders of record at the close of business the 20th day of September, 1929.

By order of the Board.

W. H. SMITH,
Secretary-Treasurer.

FOUNDERS INVESTMENT TRUST LIMITED

PREFERRED DIVIDEND NOTICE

NOTICE is hereby given that the Directors of Founders Investment Trust Limited have declared Quarterly Dividend No. 7 of 1½% on the Preferred Shares of Founders Investment Trust Limited, payable October 15th, 1929, to Shareholders of record September 19th, 1929.

A. W. BEAMENT, Secretary.
Ottawa, September 19th, 1929.

COMMON DIVIDEND NOTICE

NOTICE is hereby given that the Directors of Founders Investment Trust Limited have declared Quarterly Dividend No. 2 of Twenty-Five Cents on the Common Shares of the Capital Stock of Founders Investment Trust Limited, payable October 15th, 1929, to Shareholders of record September 19th, 1929.

A. W. BEAMENT, Secretary.
Ottawa, September 19th, 1929.

Wainwright-Ribstone Drilling Report

Sept. 19th, 1929

Admiral No. 1	16-36-7w4	2695	Arranging place, standard rig for depth work.
Anwood Dome No. 1	7-31-45-6w4	2275	Water trouble, not operating at present.
Anwood Dome No. 2	5-18-44-6w4	....	Rotary derrick erected.
Beaument No. 1	1- 2-45-7w4	2183	50 bbl. well, awaiting pumping equipment.
Beaument No. 2	-30-45-7w4	....	Rigging up for a deep test well, rotary.
Bethwain No. 1	- 6-45-6w4	2168	Coring.
British Wainwright	-20-46-6w4	....	Producing 20 bbls. oil daily on pump.
Daugherty Petroleums	4-28-46-6w4	....	Rotary derrick erected and camp complete.
Duluth Syndicate No. 1	8-29-48-10w4	....	Spudded-in with cable tools.
Duluth Syndicate No. 2	1-11-48-10w4	....	Location.
Edalta No. 1	15-19-45-6w4	550	Drilling in hard formation.
Edmonton-Wainwright	6-29-45-6w4	2275	Producing 25-35 bbls. daily to refinery.
Fabyan Petroleums No. 1	7-24-45-8w4	1838	Re-erecting derrick to drill-in for test.
Fabyan Petroleums No. 2	8-18-45-8w4	2730	Oil, very heavy gas flow, controlled.
Hargal No. 1	13- 2-45-7w4	....	Location, some material on ground.
Hargal B.P. No. 1	12-30-45-6w4	2058	Oil and gas.
Hargal B.P. No. 4	12-30-45-6w4	2073	Oil and gas, erecting new derrick.
Hargal B.P. No. 3-B	4-22-45-6w4	2259	Producing 35 bbls. crude daily to ref.
Lloyds Petroleum No. 1	18- 6 45-6w4	....	Rigging up rotary equipment.
Maple Leaf No. 1	1-24-45-8w4	1770	Commercial gasser to town of Wainwright.
Maple Leaf No. 2	1-24-45-8w4	1700	Drilling with rotary equipment.
Mid-Canada	6-13-45-6w4	....	Derrick.
National Explorations	8-30-45-6w4	....	Gas, well cemented.
Onalto No. 1	8-20-45-6w4	765	Waiting casing.
Peninsular Petlms	16-30-45-6w4	....	Derrick and camp completed.
Premier Drilling	- 2-45-7w4	....	Location, material ordered.
Sasko-Wainwright No. 1	8-19-45-6w4	2248	Producing 30 bbls. 20 Be. grav. to refinery.
Saska-Wainwright No. 2	8-19-45-6w4	....	Derrick erected, boilers enroute.
Senior Oils	13-45-7w4	....	Location.
Syndicate (Sugars)	30-45-7w4	....	To erect rotary derrick.
Toronto-Wainwright		....	Location.
Toralto		....	Location.
Wainwell No. 1	9-36-44-7w4	2215	Running casing to operate on 2nd sand.
Wainwell No. 2	15-36-44-7w4	2028	40 million cu. ft. gas—sale to drilling C's.
Wainwell No. 3	9-36-44-7w4	2072	Oil and gas, not commercial.
Wainwell No. 4	25-36-45-6w4	2051	Pumping 50 bbls. crude to refinery.
Wainwright Petlms	4-18-45-6w4	....	Derrick and water well completed.
Wainwright West. No. 1	1- 1-45-7w4	....	Derrick.
Weymarn Petroleums	14-15-5w4	....	Two structural test rigs working.

RIBSTONE STRUCTURE

Meridian (Adv. No. 3)	1-16-45-1w4	1838	Crude oil, pumping 100 bbls. 15 Be. grav.
Meridian No. 2	1-16-45-1w4	....	Location. Standard rig ordered.
Glenbow Oils	1-24-44-2w4	....	Location.
Imperial Oil No. 1	- 5-45-1w4	3489	Abandoned tools in hole.
Imperial Oil No. 2	16-45-1w4	....	Location. to be drilled by Meridian.
London Ribstone No. 1	14-10-45-3w4	2433	Oil and gas, not commercial quantity.
London Ribstone No. 2	5-22-43-3w4	....	Spudded-in.
Oil Producers	-15-44-2w4	....	Location.
Oxville	-10-45-2w4	....	Rigging up.
Pinnacle No. 1	12-30-45-1w4	....	Location.
Ribstone No. 1	1- 1-45-1w4	2056	Abandoned.
Ribstone No. 2	5-25-46-1w4	3230	Through lime, waiting instructions.
Ribstone Wainwright	-29-43-2w4	....	Location.

BEET CROP HELPS LETHBRIDGE AREA

But Soft Coal Miners Present Unemployment Problem

LETHBRIDGE. — Lethbridge and Southern Alberta are now beginning to feel the beneficial effects of another large crop as money from the early deliveries of wheat is gaining circulation. Another week of uninterrupted threshing will see the bulk of the crop threshed and if the fall holds open plowing and other field operations will begin. In the irrigated areas the sugar beet harvest will begin around October 1. The beet crop will be the heaviest ever gathered as the past season has been very favorable for beets with an abundance of early rain followed by two months of uninterrupted sunshine. The sugar output of the Raymond, Alta., factory this year should exceed 125,000 hundred-pound bags of refined granulated sugar in addition to considerable pulverized sugar.

May Get Factory

This season saw the Lethbridge Northern irrigation district raising sugar beets for the first time and if the acreage increases as is promised by the settlers the project will in a few years be given a factory of its own. B. R. Smoot, general superintendent of the sugar company, virtually promised the farmers a factory just as soon as the tonnage grown insured it a profitable run. Five or six thousand acres per factory is considered a minimum production area and the growers have set this as an early objective.

In the mining industry the fall activity in the domestic mines is opening up although the usual rush of orders has not developed. This slackness is attributed to the light crop on the prairies. The Galt mines here, the North American Collieries at Coalhurst and other smaller operators are working fairly steadily now and an active fall and winter are anticipated especially when the colder weather sets in. On the other hand, the bituminous mines of the Crow's Nest Pass are practically idle owing to an absence of orders.

Mines Not Active

The result is a depression in business all through the Oass region and boards of trade are conferring to see if the seasonal employment of men in the collieries cannot be met. Hon. Peter Heenan, minister of labor, has suggested a conference of miners, operators, C.P.R. officials and others interested to see if some arrangement could not be made for a more even distribution of the coal output of the mines throughout the year. The C.P.R. moves its coal to the prairie dumps during the quiet season in grain marketing so that when the fall grain rush sets in cars for steam coal are diverted to the grain movement. It is then that the steam coal camps experience their dull season, miners having to seek elsewhere for work, usually in the harvest field. This, however, is only temporary and the net result is a recurring problem of unemployment and at times actual want.

Debentures for Sale

TOWN OF NEW TORONTO

Tenders for Debentures

Sealed tenders, addressed to the undersigned, will be received up to 3 p.m. on Monday, October 7th, 1929, for the following blocks of debentures, all bearing 5% interest, with annual coupons attached and all being payable in equal annual instalments of principal and interest.

Pavement	$202,581.09	15 years
Street widening	60,091.00	20 years
Sidewalks	2,337.36	10 years
	$265,009.45	Total

The highest or any tender not necessarily accepted.

W. B. CURTIS,
Treasurer.

Silverwood's Dairies Limited

NOTICE OF DIVIDENDS

Preference Stock

Notice is hereby given that a quarterly dividend of 1¾%, being at the rate of 7% per annum, has been declared on the Preference Shares of this Company, payable October 1st, 1929, to shareholders of record as of September 25th, 1929.

No Par Value Stock

Notice is hereby given that a dividend of twenty-five cents per share on the Class "A" or Ordinary Fully Participating Shares, and the Common Shares of this Company, has been declared payable Oct. 1st, 1929, to shareholders of record as of September 25th, 1929.

By order of the Board.

J. H. GILLIES,
Secretary-Treasurer.

London, Sept. 23rd, 1929.

Shareholders of Calmont to Vote on Stock Split

In connection with the rumored split in the shares of Calmont Oils together with a stock bonus, officials of the organization have issued a statement as to the exact significance of the proposed move.

Any change in the financial structure of the company will depend on the meeting of the shareholders to be held in the near future, it is said. At that time the shareholders will be asked to vote on a proposition whereby the capital of the company will be increased to $10,000,000. This is to be accomplished by declaring a stock dividend of 400 per cent, or, in other words, four shares of no par for each one held. This is being done, according to the management, as par value stock cannot be split and retain its par value, so that the present action will be equivalent to a five for one split.

About 1,300,000 shares of Calmont Oils are issued covering the Dallas, Seneca and other options. The proposed plan would leave about 3,500,000 shares in the treasury as it would require about 6,500,000 shares to offset the present dividend.

Reports of drilling operations at the various wells as of September 10 show that No. 1 well is down 5,525 feet and making slow progress with the likelihood of the diamond drill being put on shortly. No. 2 well is thought to be in the Dalhousie sands at 4,003 feet. No. 1 well is drilling down 200 feet with cable tools. No. 4, on the Dallas lease, is down 3,552 and is resuming drilling operations after a slight delay caused by derrick breakage. No. 5 located at the north end of the property is down 3,245 feet with a rotary drill and No. 7 on the same lease is rigging up cable tools and expect to spud in this week. No. 9, the old Seneca Well, is mixing mud preparatory to filling the hole for the rotary drill and operations are expected to start in five or six days time from about 4,900 feet.

Western Brew Dividend

Western Breweries announce the regular quarterly dividend of 2 per cent to be paid on October 1 to shareholders of record September 14.

INVESTMENT FOUNDATION LIMITED

Preferred Dividend No. 2

Notice is hereby given that a dividend of Seventy-five (75) cents per share, being at the rate of 6% per annum, has been declared on the Cumulative Convertible Preferred Stock of this Company for the quarter ending September 30th, payable October 15th to shareholders of record September 30th, 1929.

By order of the Board.

K. WHITTAKER, Secretary.

English Electric COMPANY of Canada, Ltd.

Dividend Notice

Notice is hereby given that the regular quarterly dividend of Seventy-five cents (75c) on the Class "A" Stock of this Company has been declared for the quarter ending Sept. 30, 1929, payable Oct. 15th, 1929, to shareholders of record Sept. 30, 1929.

By order of the Board.

A. MUNDY,
Secretary.

Toronto, Sept. 19, 1929.

MacKinnon Steel Corporation, Limited

Notice is hereby given that a Dividend of One and Three-quarters per cent. (1¾%) for the Quarter ending October 31st, 1929, has been declared upon the 7% CUMULATIVE CONVERTIBLE FIRST PREFERRED STOCK of the Company, payable November 1st, 1929, to Shareholders of record October, 15th, 1929.

By Order of the Board,

J. M. S. MACDONALD,
Secretary.

September 17th, 1929.

Woods Manufacturing Company, Limited

Preferred Stock Dividend Notice

The regular quarterly Dividend of one and three-quarters (1¾%) per cent on the PREFERRED STOCK of WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending September 30th, 1929, has been declared payable October 1st, 1929, to shareholders of record September 26th, 1929.

By Order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, September 18th, 1929.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent., being at the rate of Twelve per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st October, 1929,

to Shareholders of record on the books of the Company at the close of business on 14th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable October 1st, 1929, to Shareholders of record as at close of business, September 15, 1929.

W. S. BARBER,
Secretary-Treasurer.

BENSON & HEDGES (CANADA) LIMITED

DIVIDEND No. 13

The regular 1¾% quarterly dividend on the 7% Preferred Stock of this Company has been declared for the quarter ending September 30th, 1929, payable on October 2nd, 1929, to Shareholders of record at the close of business on September 20th, 1929.

By order of the Board.

W. H. THOMSON,
Treasurer.

Montreal, September 10th, 1929.

DIVIDEND NOTICE

Alberta Wood Preserving Company, Limited

Notice is hereby given that the regular quarterly Dividend of 1¾% on Preferred Stock, payable October 1st, 1929, has been declared by the Alberta Wood Preserving Co., Ltd., and will be paid to Shareholders of record as at the close of business, September 20th, 1929.

(Signed) T. L. MILLER,
Secretary-Treasurer.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1929, being at the rate of twelve per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 1st day of October, 1929, to shareholders of record of the 20th September, 1929.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 22nd August, 1929.

The Toronto General Trusts Corporation

DIVIDEND NO. 133.

NOTICE is hereby given that a dividend of three per cent (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending September 30th, 1929, being at the rate of

TWELVE PER CENT PER ANNUM.

and that the same will be payable on and after Tuesday, the first day of October, 1929. The Transfer Books of the Corporation will be closed from Monday, the 23rd day of September, until Monday, the 30th day of September, both dates inclusive.

By order of the Board of Directors.

W. G. WATSON,
General Manager.

Toronto, September 3rd, 1929.

THE CANADIAN BANK of COMMERCE

Tenders will be received by the undersigned at the Head Office of the Bank in Toronto for the whole or any portion of approximately four thousand three hundred (4,300) shares of the par value of $100 each of the new stock of The Canadian Bank of Commerce.

The shares represent those portions of the issue (which the Board of Directors determined to offer to the shareholders of the Bank by resolution passed on the 28th March, 1929) which were not allotted by reason of the prohibition of the Bank Act against fractions and which were allotted but not accepted by the shareholders.

The shares will rank for dividends from the 15th day of October, 1929, provided payment in full has been made by that date, and will be entitled to share in any bonus which may be declared after that date. Receipts will be issued at the time of final payment exchangeable for regular stock certificates on and after the 1st of November, 1929.

Tenders must state the price per share offered and be accompanied by a certified cheque for 10% of the amount. In case a tender is accepted the balance will be payable on the 15th day of October, 1929.

Tenders will be received up to 3 p.m. on Wednesday, the 9th day of October, 1929, and should be marked "Tender for Capital Stock" and addressed to the General Manager, The Canadian Bank of Commerce, Toronto.

The Bank shall not be bound to accept the highest or any tender.

BY ORDER OF THE BOARD,

S. H. LOGAN,
General Manager.

Toronto, 20th September, 1929.

Pure Gold Manufacturing Company Limited

Toronto Canada

Notice is hereby given that a quarterly dividend of fifty cents per share on the paid-up capital stock of the Company has been declared payable Tuesday, the 15th day of October, 1929, to shareholders of record at the close of business on the 30th day of September, 1929.

By order of the Board.

J. C. JAMIESON,
Secretary.

Toronto, September 18th, 1929.

Second Diversified Standard Securities, Limited

PREFERRED DIVIDEND No. 5

NOTICE is hereby given that a dividend of one and three quarters per cent (1¾%) on the fully paid up Preference Shares, for the quarter ending September 30th 1929, and being at the rate of seven per cent (7%) per annum, for the time so paid up, for the current quarter, has been declared payable October 15th, 1929, to shareholders of record September 30th, 1929.

By order of the Board,

A. G. TIERNEY,
Secretary.

Montreal, September 17th, 1929.

Diversified Standard Securities, Limited

PREFERRED DIVIDEND NO. 9

NOTICE is hereby given that a dividend of two per cent (2%) on the fully paid up Preference shares, for the quarter ending August 30th, 1929, and being at the rate of eight per cent (8%) per annum, for the current quarter, has been declared payable October 1st, 1929, to shareholders of record September 16th, 1929.

COMMON DIVIDEND NO. 4

NOTICE is hereby given that a dividend of 25 cents per share on the Class "A" Common shares has been declared payable October 1st, 1929, to holders of record September 16th, 1929.

By order of the Board,

A. G. TIERNEY,
Secretary.

Montreal, September 17th, 1929.

Quebec Power Company

Notice is hereby given that a dividend of sixty-two and one-half cents (.62½) per share has been declared on the no par value common shares of the Company for the quarter ending September 30th, payable October 15th, to shareholders of record September 26th, 1929.

By Order of the Board.

JAMES WILSON,
Secretary.

Montreal, September 19th, 1929.

Canadian Industrial Alcohol Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of thirty-eight cents (38c) per share has been declared on the Voting and Non-Voting Capital Stock of this Company for the quarter ending 30th September 1929, payable 15th October 1929, to shareholders of record at the close of business on 30th September 1929.

By Order of the Board.

J. GIBSON LAWRENCE,
Secretary.

ORANGE-CRUSH LIMITED

Notice of Dividend

"A" Preferred: Notice is hereby given that a quarterly dividend of 1¾% has been declared on the "A" Preferred Capital Stock of this company, payable October 1st, 1929, to shareholders of record September 20th, 1929.

"B" Preferred; Notice is hereby given that a quarterly dividend of 50c has been declared on the "B" Preferred Capital Stock of this company, payable October 1st, 1929, to shareholders of record September 20th, 1929.

Dominion Engineering Works Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of One Dollar ($1.00) per Share has been declared on the No Par Value Shares of this Company, for the Quarter ending 30th September, 1929, payable 15th October, 1929, to Shareholders of record at the close of business on the 30th September, 1929.

By Order of the Board.

F. W. EVENS,
Secretary.

Montreal, P.Q.,
17th September, 1929.

DISTILLERS CORPORATION-SEAGRAMS LIMITED

Montreal, September 16, 1929.

NOTICE is hereby given that the Annual General Meeting of Shareholders of DISTILLERS CORPORATION-SEAGRAMS LIMITED will be held in Salon "D" at the Mount Royal Hotel, Peel Street, Montreal, Que., on Friday, the Eighteenth day of October, 1929, at 2.30 o'clock in the afternoon for the following purposes:

1. To receive the Statement of Accounts and Reports of the Directors.
2. To elect Directors.
3. To appoint Auditors.
4. To consider and if deemed advisable sanction and confirm the following By-laws passed by the Directors:—
   - (a) Amending By-law relating to fiscal year and date of Annual Meeting.
   - (b) General By-law for declaration of dividends,
   - (c) General By-law as to remuneration of Directors,
   - (d) By-law amending requirements as to notice of Annual Meeting,

and for the transaction of such other business as may properly come before the Meeting.

ALLAN BRONFMAN,
Secretary.

POWER CORPORATION OF CANADA LIMITED

Preferred Dividend No. 17

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending September 30th, 1929, payable October 15th, 1929, to shareholders of record at the close of business, September 30th, 1929.

By order of the Board,

L. C. HASKELL, Secretary.

Montreal, July 26, 1929.

KING EDWARD HOTEL COMPANY, LIMITED

NOTICE

COMMON STOCK DIVIDEND

A Dividend at the rate of $1.50 per share has been declared by the Board of Directors on the Common Stock of the King Edward Hotel Company, payable October 1st, to Shareholders of record at the close of business Saturday, September 14th, 1929.

By order of the Board of Directors.

D. H. McDOUGALL,
Secretary.

MOUNT ROYAL HOTEL COMPANY, LIMITED

NOTICE

PREFERRED STOCK DIVIDEND

A Dividend at the rate of $1.50 per share (1½%) has been declared on the Preference Stock of the Mount Royal Hotel Company, payable October 1st to Shareholders of record at the close of business on Saturday, September 14th, 1929.

By order of the Board of Directors.

D. H. McDOUGALL,
Secretary.

A Legal Investment for Canadian Life Insurance Companies

New Issue

$600,000

Investors Equity Corporation Limited

5½% First Collateral Trust Gold Bonds

Dated April 1, 1929 SERIES A Due April 1, 1949

with attached warrants, non-detachable unless declared detachable by the corporation, entitling the holder of every $500 bond to purchase 10 shares of no-par value capital stock at the following prices:

At $15 per share up to and including March 31, 1934.

At $20 per share thereafter up to and including March 31, 1939.

[illegible] share thereafter up to and including March 31, 1944.

[illegible] share thereafter up to and including March 31, 1949.

[illegible] lled for redemption the rights to purchase stock are exercisable prior to [illegible] redemption.

TRUSTEE: NATIONAL TRUST COMPANY, LIMITED

Denominations of $1000 and $500. Principal payable at the office of National Trust Company, Limited, Toronto, and half-yearly interest (April 1 and October 1) payable in gold at any branch in Canada of the Royal Bank of Canada. Redeemable in whole but not in part on any interest date on 60 days' notice at 105 on or before April 1, 1934, and thereafter at premiums decreasing one per cent. per annum until a redemption price of 101 is reached, and thereafter at that price until maturity. Registerable as to principal only.

CAPITALIZATION

	Authorized	To be Issued
5½% First Collateral Trust Gold Bonds	$3,000,000	$600,000
Common Stock, No-Par Value	200,000 shs.*	50,000 shs.

*Of these, 12,000 shares are reserved against the exercise of the stock purchase warrants attached to the bonds.

ORGANIZATION: Investors Equity Corporation, Limited, was incorporated in March, 1929, under the laws of the Province of Ontario as an investment corporation of the general management type to buy, sell, hold and underwrite securities of any kind, to participate in syndicates and underwritings and to exercise such other of its charter powers as its board of directors may from time to time determine.

The corporation began business on April 24th, 1929, with capital assets in excess of $1,050,000, of which more than $1,020,000 was in cash deposits, and on August 31st, 1929, its assets had a liquidation value of $1,087,788 of which $750,000 were in call and time loans and cash deposits.

MANAGEMENT: Subject to control by the board of directors, the corporation is managed by McLeod, Young, Weir & Co., Limited, who receive as remuneration one-quarter of one per cent. quarterly of the assets of the corporation less current liabilities.

The management contract is terminable by either party on March 31, 1930, or yearly thereafter, on three months' prior notice in writing.

SECURITY: The trust deed securing these bonds constitutes a first fixed and specific mortgage, lien, pledge and charge on cash and securities of a market value aggregating not less than $900,000 and a first floating charge upon the undertaking and all the assets of the corporation except those specifically charged as above-mentioned, and so long as any of the bonds remain outstanding the corporation covenants to maintain on deposit with the trustee subject to the lien of the trust deed, cash, shares, or securities, the market value of which shall be equal at least to 150 per cent. of the aggregate principal amount of the bonds outstanding.

As at August 31st, 1929, marketable securities and cash deposits in excess of $1,087,788 were pledged under the lien securing the bonds. This is the equivalent of $181 for $100 of bonds.

In the event of default by reason of the market value of pledged assets falling below 150 per cent. of the aggregate principal amount of the bonds outstanding, or in the event of the lien of the trust deed becoming otherwise enforceable, the trustee is empowered to sell the assets of the corporation, whereupon the principal of these bonds immediately becomes due and payable.

OTHER SAFEGUARDS: The corporation—

Covenants not to issue additional authorized bonds nor create additional funded debt, unless assets, less current liabilities, equal 175 per cent. of the total funded debt of the corporation, including the bonds proposed to be issued.

Agrees not to create any mortgage or lien ranking prior to, or on an equality with, the lien of the trust deed securing these bonds, except in respect of moneys borrowed from bankers and others in the ordinary course of business upon the security of assets not included in the specifically mortgaged premises.

Is required to furnish the trustee with quarterly statements of its holdings pledged under the trust deed, showing also the market value of such securities.

Is required to have an audit made of its books by a chartered accountant approved by the trustee, within 90 days after the close of each fiscal year.

INVESTMENT REQUIREMENTS: Other than cash and time and call loans (*a*) not more than 10 per cent. of the pledged securities shall consist of securities of any one government, municipality, corporation or other issuer except of, or guaranteed by, the Government of Canada, or of any province of Canada; (*b*) not more than 20 per cent. of the pledged securities shall consist of securities of companies whose operations fall primarily within any single industry or business; not more than 35 per cent. of the pledged securities shall consist of securities originating in any one country other than Canada or the United States of America.

At least 50 per cent. in market value of such of the pledged securities as are invested in common shares shall consist of shares listed on a recognized stock exchange.

BOARD OF DIRECTORS

Allan M. Mitchell, *President*, Montreal
President, The Robert Mitchell Co., Limited.

S. C. Holland, *Vice-President*, Montreal
Vice-President and General Manager, The Robert Mitchell Co., Limited.

W. E. Young, *Vice-President*, Toronto
Director, McLeod, Young, Weir & Co., Limited, British Northwestern Fire Insurance Co., Canada Vinegars, Limited, and Canadian Investors Corporation, Limited.

M. J. Patton, *Secretary-Treasurer*, Toronto
Director, Canadian Investors Corporation, Limited. Financial Economist, McLeod, Young, Weir & Co., Limited;
Formerly of the Department of Finance, Canada.

E. C. Cumberland, Montreal
Director, McLeod, Young, Weir & Co., Limited, and Mayor Building, Limited.

G. O. Merrill, Montreal
President, Merrill & Stanley, Limited.

Legal opinion of Messrs. Fraser & Beatty. Auditors: Messrs. P. S. Ross & Sons, Chartered Accountants.

The foregoing is subject to the more complete statements contained in the trust deed and the management contract, copies of which may be seen at the head office of the undersigned.

PRICE: 100 and accrued interest, to yield 5½ per cent.

McLeod, Young, Weir & Co., Limited

Metropolitan Building, Toronto

Montreal Ottawa Hamilton London Winnipeg New York

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, SEPTEMBER 26, 1929 | 10c. a Copy; $5.00 a Year | No. 39

LAST SPAN SET FOR GREAT BRIDGE AT BORDER CITIES

Tentative Opening of Detroit-Sandwich Structure is December 1

IS WORLD'S LONGEST

Highway Link Costing $20,000,000 Can Handle 5,000 Cars Hourly — Financed Before Work Began

The longest suspension bridge span in the world has been completed, with the hoisting into place of the last section of the Ambassador Bridge between Sandwich, near Windsor, Canada, and Detroit, U.S.A., recently. This marked the achivement of fulfilment of plans laid many months ago for a structure which would link together the two countries in one more place. International traffic between Windsor and Detroit is now possible without recourse to either ferry or tunnel. The Detroit River may now be crossed on top of the water, under it and over it.

While a great deal of work yet remains to be done and the contract date for the opening of the bridge was set at August 1, 1930, it is now believed that work can be finished before the New Year. In fact, the opening day has been tentatively set at Dec. 1, 1929. There is no reason to believe that the opening will now be delayed.

The last girder was floated down the river and hauled into place on September 16, 1929. Construction of the bridge commenced May 7, 1927, on the United States side, and June 23, 1927, on the Canadian side. The side trusses are now complete and roadway is being laid. This will be completed late in October, it is expected.

Has Big Capacity

The bridge will be able to handle about 5,000 cars per hour, it is estimated, in five lanes of traffic. At the ends of the bridge, there are parks with "inspection islands," by means of which 26 customs and immigration officials can pass cars simultaneously. Cars or vehicles requiring special attention from the inspectors will be routed to separate detention yards. Six acres in Detroit and six-and-a-half acres in Sandwich are owned by the bridge company and are used for the approaches and terminals.

The values of real estate adjacent to the Canadian terminal of the bridge have been greatly enhanced. It is said that the coming of the new highway link has started many groups and individuals considering the erection of apartment houses, hotels and such projects. Those who estimate populations declare that the bridge will assist materially in giving the Border Cities a population of 350,000 in ten years' time.

Was Fully Financed

The bridge will have cost nearly $20,000,000 when it is finally opened to the public. The main span is 1,850 feet in length, just 100 feet more than that of the Philadelphia-Camden Bridge, hitherto the longest in the world. The building of the huge project was fully financed before construction began.

The Detroit International Bridge Company, owns all the stock of the Canadian Transit Company, which received the original government sanction to construct and operate the bridge. The Detroit company is capitalized at $5,000,000 preferred and 100,000 no par value common shares. There is $1,100,000 in first preferred stock at present outstanding. In addition to the stock issue, there are $8,000,000 worth of seven per cent participating debentures outstanding. There is also a joint first mortgage 6½ per cent gold bond issue amounting to $12,000,000.

The directors and officers of the Detroit International Bridge Company, which has offices in Detroit and New York City, include J. W. Austin, J. A. Bower, Sherman D. Callender, Alfred A. Cook, Alfred C. Dent, David Graham and Jansen Noyes. The officers are J. A. Bower, president; J. L. Fozard, vice-president and general manager; J. W. Austin, vice-pres.; Sherman D. Callender, sec.-treas.; Frederick G. Brown, assistant secretary, and David Graham, assistant treasurer.

The Canadian Transit Company has its offices in Windsor, ~~Ont.,~~ and Detroit. It is headed by J. A. Bower, as president; J. W. Austin, vice-president; J. L. Fozard, secretary-treasurer; F. G. Brown, assistant secretary, and David Graham, assistant treasurer. The directors are J. W. Austin, J. A. Bower, A. A. Cook, A. C. Dent, J. L. Fozard, D. Graham and Jansen Noyes. The bankers and underwriters of the securities are Hemphill, Noyes and Company and Peabody, Smith and Company.

The chief contractors in the engineering of the bridge were the McClintic-Marshall Company, with the Foundation Company and the Canadian Bridge Company, Ltd., as subcontractors.

Was Tried Before

When the need of a highway bridge at this point first became evident, Charles Evan Fowler, consulting engineer of New York City, organized two companies, the American Transit Company and the Canadian Transit Company to build such a bridge. The permission for the bridge was granted by Congress in March, 1921, and Parliament in May of the same year. Plans did not mature as rapidly as had been hoped, and in 1924, J. A. Bower, a former citizen of Detroit, became interested and took options on the rights of the two companies. Mr. Bower arranged financing and the project took definite form in 1927, when on May 7, the first stake for construction was driven into the ground on the United States side.

P.E.I. Ferry Contract Let to Can. Dredge

The Canadian Dredge and Dock Company has secured a large contract for the dredging of the terminals of the new Prince Edward Island ferry, operating between Tormentine, N.B., and Fort Borden, P.E.I. The ferry will be conducted by the Canadian National Railways.

The contract in question is sufficient to keep the larger proportion of the heavy equipment of Canadian Dredge on the Atlantic seaboard busy for the next two years.

T. E. BISSELL CO. SHOWS PROGRESS IN EXPORT TRADE

Company Earns $6.32 Per Share on Common Stock

The annual report of T. E. Bissell Co., Ltd., which has just been issued, shows net profits for the year ending May 31, 1929, after all deductions, including depreciation, provision for Federal taxes, auditors' fees, etc., amounting to $79,199. After paying $16,042 in dividends on the 7 per cent preferred shares, this leaves available as earnings on the common stock, $63,157, or at the rate of $6.32 a share. Total assets of the company amount to $404,137, and current assets stand at $259,956.

President Bissell's letter to the shareholder is as follows:

The implements manufactured by your company are a special line for use in preparing the seed bed and have priority inasmuch as grain crops must be seeded in soil well prepared before a good harvest return can be hoped for. Seeding in 1930 must again precede the harvest, and it is expected that this company will once more experience a good demand for its implements during next winter and spring. While the 1929 crop in Western Canada has been disappointing to many, the season's output was disposed of early, and before the slackening up of sales in the West took place, says the report.

The common stock was placed on a dividend basis at April 1, 1929, the rate being 50c. per quarter. The balance of profit, $58,157, was added to surplus.

"Your company continues to obtain some good business from the United States, and disc harrows are being manufactured at your factory and sold throughout the fruit-growing areas of the United States, extending as far south as Florida and southwest to the State of Texas. This trade appears to be encouraging," says the report, "and is bein further developed. Your company is in a healthy condition, and the relation of liquid assets to liabilities is approximately thirteen to one."

INCOME & SURPLUS ACCOUNT
Year Ended May 31, 1929

Net profits	$79,199
Less:	
Preferred dividends	16,041
Common dividends	5,000
Surplus for year	58,158
Earn. per share and div. record:	
Preferred:	
Earned	$31.68
Paid	7.00
Common:	
Earned*	6.17
Paid	0.50

* After deduction of a full year's dividend of $17,500 on the preferred stock.

Beverage Stocks Show Steady Decline on Market

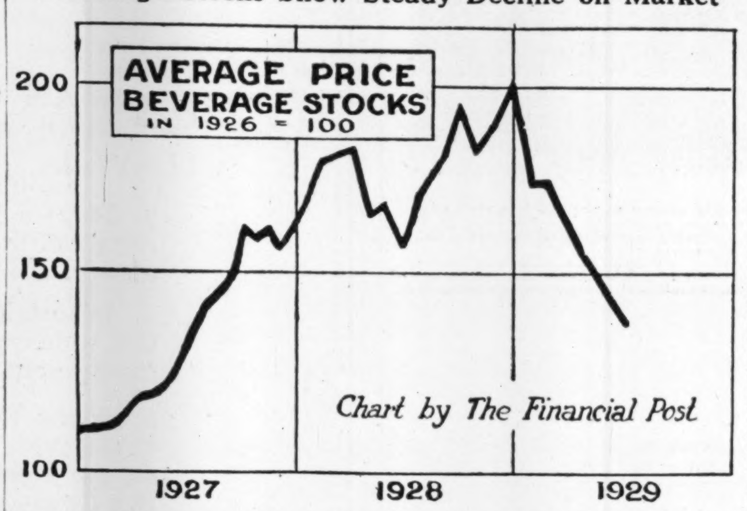

Chart shows the downward trend of the beverage stocks during the current year. Though the figures include the shares of the soft drink manufacturers, the great proportion of stocks are made up of those of the brewing and distilling industries.

Beer and Liquor Stocks Decline in Weak Market

In Most Cases Slump Occasioned by Lower Earnings and Uncertain Situation in Export Market

From Our Own Correspondent

MONTREAL.—A precipitate decline in beverage stocks during 1929 has been witnessed with dismay by many investors. With the advent of favorable liquor legislation in several provinces thousands of shares of brewing and distilling companies were sold in Canada by interests which looked hopefully on the new field opened to the industry. Many of these shares have sunk to a low point and are presently languishing on the market without any definite indication of a revival in the near future.

Further, the sheep have suffered with the goats. The shares of those companies which are operating profitably have been borne down in the general decline despite the fact that current earnings warrant a better price for their stock. Yields of 10 per cent or more are an indication of the depth to which some of these shares have dropped, yet it is claimed that profits, in some cases, are well able to take care of dividends. Even shares of companies which occupy a strong financial position have been dragged down by the general weakness in the market for beverage stocks.

Two Factors Responsible

The decline in the shares as a whole has been occasioned by two factors,—lower earnings and lack of market confidence in this class of security.

There is little doubt that in many cases, earnings of breweries and distilleries are lower this year as compared with the previous twelve months period. Sales have been liable to fluctuations, while overproduction has added another burden to the weight already on the shoulders of the industry. Further, 1928 was generally regarded as a banner year in this particular field.

In Ontario, for instance, the brewing business has been considerably over-expanded. Competition was keen from the start, but when the recent upset occurred in the export market, further difficulties were encountered. One or two of the smaller companies have gone to the wall, while others are surviving on such profits as they can make out of domestic sales and a variable export field.

Distilleries Also Affected

The same can be said, in a lesser degree, of the distilleries. Some of the larger companies have suffered a decrease in sales this year, but are in a position to withstand the temporary recession. The smaller companies, though, are likely to be hit harder since they have not the diversification of brands and the wide markets to fall back on, as is the case with their bigger comrades.

The second factor responsible for the market depression, is the general investors' lack of confidence in this type of security as a whole. Investors apparently have been unwilling to purchase shares of brewing and distilling companies since they feel that the situation surrounding the export market is uncertain. Their fears were justified to some extent last summer when more stringent regulations at the border resulted in a temporary slump in sales.

Some Strong Companies

However, there are one or two brewing and distilling companies which occupy strong financial positions and whose ultimate earnings are not seriously affected by any setbacks in exports. Nevertheless, their shares, with one notable exception, have languished in company with the others, since investors are still nervous of this class of security.

The situation is not by any means calamitous, though the next year or two may witness the final weeding out of some of the weaker companies. The situation governing the export regulations is still so uncertain that it is impossible to estimate the final position of companies who are largely dependent on foreign shipments.

Nevertheless, as long as this uncertainty persists, there seems little likelihood of any market activity, with one or two obvious exceptions, in any of the beverage stocks in the near future.

UNITED FUEL SHOWS FURTHER PROGRESS

Demand For Coke Latterly Well Ahead of Year Ago

Progress continues to be recorded by United Fuel Investments. The company controls through stock ownership the Hamilton By-Products Coke Ovens and the United Gas and Fuel Company of Hamilton, and its charter gives it the right to acquire interests in public utility and other enterprises.

The company's fiscal year ended on March 31 last, and despite the fact that the enquiry for coke is always more insistent during the winter months, the demand for this product during the past five months has been considerably in excess of that disclosed in the corresponding period of last year.

Vice-President of Price Brothers

MONTREAL.—Leonard Apedaile, director and general manager of Price Bros. and Co., has been elected vice-president, succeeding the late George A. Thompson.

POWER CORP. WILL BUILD BIG PLANT AT ELK FALLS SITE

Subsidiaries Get Award in Campbell River Struggle

TO COST $19,000,000

Experts Agree 140,000 H.P. Can be Secured Without Increasing Storage Facilities

From Our Own Correspondent

VICTORIA.—The Power Corporation of Canada through the British Columbia Electric Railway Co. and its subsidiary, the Vancouver Island Power Company, has succeeded in its application for control of the major waterpower location of Vancouver Island, at Elk Falls, Campbell River, where experts are agreed that upwards of 140,000 h.p. can be developed without going beyond the lower river canyons to increase storage facilities.

This fact is of especial significance in view of persistent efforts on the part of the Canadian Crown-Willamette Company, favored applicants for the franchise during the late Liberal régime, to obtain authority to dam Buttle Lake at its foot and thereby inundate a considerable area of Strathcona National Park, with inevitable removal of a large portion of its magnificent merchantable timber.

To Cost $19,000,000

The importance of this project to the industrial development of Vancouver Island is that the company is pledged to develop the undertaking in the interests of the whole Island, at an estimated ultimate cost of $19,000,000. Erection and equipment of a single transmission line from Campbell River to Victoria is set down at $1,750,000.

The fourth unit of the hydro-electric development at Jordan River, now in process of installation, will carry development there to 42,000 h.p. giving an additional 13,000 h.p. When this is completed the limit of hydro-electric development from the Jordan River will have been reached.

It is anticipated that the Jordan River plant, fully developed, will take care of the needs of Victoria and vicinity until 1933. The two years, at 3 per cent annually, increased in 1927 by 15 per cent, and last year by 20 per cent.

The company, in keeping with its obligation to the water board to develop the undertaking in "the truest engineering and economic sense" has since the enquiry in May acquired the holdings of the National Utilities Corporation, Limited, owning or controlling five public service undertakings on Vancouver Island, these being, however, in all cases very minor and strictly local enterprises.

File Plans in 18 Months

It also has entered into negotiations with Sooke Harbor and Qualicum Beach areas looking to service, and has begun extensions from Bamberton to various points in the Shawinigan Lake district.

By the terms of the agreement under which the British Columbia Electric Railway Co. succeeds in its application for the Campbell River power, by February 28, 1931, the company must file details of its plans for development there, and in turn these plans must obtain the approval of the department before the company may proceed.

While the department is not as yet ready to lay down any policy in the matter, it is expected that there will be required of the company immediate construction following the filing of the plans. Moreover, stringent terms for the progress of the work will be imposed.

Largest on Island

Some time after taking power, the present government, as a matter of policy, felt that the water power proposition at Campbell River should not be confined to one company alone to hold indefinitely and decided to lift the reserve and allow all who wished to utilize the site to make application.

Campbell River is the largest water power prospect on Vancouver Island. The river is fed from the glaciers and snowfields in the provincial reserve of Strathcona Park. These waters pass in turn through Buttle Lake, with an area of 7,180 acres, Upper Campbell Lake with 1,350 acres and Lower Campbell Lake, 2,200 acres. About a mile and a half from the lower lake there is a fall of thirty feet. About five and a half miles farther along the river enters a canyon of great beauty. Bear Falls, Moose Falls, Deer Falls and Elk Falls are in turn passed, during which time the river drops some 340 feet in a distance under two miles.

A conservative estimate by Government engineers places the storage possible at the securing of a flow of 2,000 cubic feet per second, from which under a total head of 450 feet there would be derived 70,000 horsepower continuously. Private engineers double this estimate, even placing the ultimate maximum at 180,000 h.p.

Insurance Firm Changes Its Name

From Our Own Correspondent

VICTORIA.—Authorization has been granted for a change in name of the insurance and investment business at New Westminster carried on since 1907 by Ald. William McAdam and Sons, the partners being A. B. McAdam and his brother, W. L. McAdam, the latter for eleven years past with the Canadian Bakeries.

The new firm has secured the representation for New Westminster city and district of fifteen fire and automobile insurance companies.

Paving Work on Detroit Bridge Soon to Commence

Paving companies doing business in the Dominion continue to enjoy an enviable volume of business. One of the latest contracts awarded to the Canada Paving and Supply Company has to do with laying the asphalt on the Detroit International Bridge and its approaches. They expect to commence pouring concrete for the highways and sidewalks on this structure about October 1st and the probabilities are that the bridge will be opened during the second week in November.

Canada Paving has also secured a contract for supplying the face brick for the Windsor terminal of the tunnel. This follows closely upon a contract awarded by the municipality of Sandwich West, which involves an outlay of nearly $750,000 and includes paving, road work and sewers.

The County of Welland has granted a contract to the Dufferin Paving Company in excess of $225,000. All the equipment of the parent company and its subsidiaries is in active use at the present time at various points throughout the Province.

Corrugated Box Volume Up

The Corrugated Paper Box Company, Limited, since the transference of operations to the new plant at Leaside, is experiencing a steadily increasing demand for its products. Volume of business is reported at record levels and production during July and August to be the largest in the history of the company.

An Opportunity for Small Investors to share the Privileges of Large Investors.

Investment Trusts of the Management type are very successful in Great Britain and provide means whereby investors of modest amounts secure the advantage of the investment judgment of able financiers such as they could not hope to receive otherwise. The Reliance Management Corporation is an Investment Trust of this type. Its Share Units provide security which is achieved by wide distribution of risks; second, expert knowledge of security values; third, forehanded judgment as to market trends; and fourth, reasonable immediate dividends from the Preferred Stock and a possibility for appreciation in value of the sum invested from the increase in the market values of the Common Shares.

The Preferred Stock is entitled to preferred cumulative dividends at the rate of $3.00 per annum, payable quarterly on the 1st days of March, June, September and December. Each Preferred Share is convertible at any time into one Class A Common. The price for one share of Preferred and one share of Common is

$68.50 per Unit, plus accrued preferred dividend
(payment in New York Funds)

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Paid to members and their beneficiaries over $100,000,000.00.

As many as 100 children in a year have been wards of the Society since the organization of that fund in 1903.

Over 1,300 members have been treated at the Sanatoria of the Order for incipient Tuberculosis, of which 880 have been discharged as improved or the disease arrested.

THE FOUR SQUARE PROTECTIVE CERTIFICATE

PROTECTION

In its Insurance Protection Department the Order issues a Four Square Protective Certificate in amounts from $200 to $5,000 which provides as follows:

1. Payment of the face of the certificate in the event of death before sixty-five, or,

2. In the event of total and permanent disability before reaching age sixty-five, the payment of the face of the certificate in ten annual instalments, the unpaid balance of the face of the certificate being paid in one sum in the event of death, or,

3. An Old Age Benefit payable at age sixty-five of the face of the certificate in ten annual instalments with payment in one sum of the unpaid balance of the face of the certificate in the event of death, or,

4. Payment of double the face of the certificate in the event of death from accident before age sixty-five.

AND IN ADDITION the certificate will participate in surplus earnings after being in force five years, and will participate annually thereafter, the dividend being added to the face of the certificate. Double Indemnity will not apply to dividends.

PAID UP PROTECTION—At the age of sixty-five on application of the member the Order will issue a paid-up certificate for the amount of the face of his certificate, and will pay him in cash $200 for each $1,000 of protection carried.

WITHDRAWAL EQUITY—In the event of non-payment of dues the member will be carried by the Order, for such period as the member's equity will provide.

In addition to the Insurance Protective Benefits and Sick Benefits there are many fraternal benefits associated with membership, including:—

Free Medical Attendance by Subordinate Courts.

Provision for Orphan Children of Members.

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Turner Valley is Mecca for All Visitors to Canadian West

These photographs were taken on the occasion of the visit of the Canadian Chamber of Commerce party to Turner Valley from Calgary. The picture at the left is a view of a busy part of the field, showing the Home Oil scrubbing plant, Calmont No. 2 derrick, Hargal (in the distance) and Home No. 1. In the centre picture, W. G. Watson, general manager of Toronto General Trust Corp. (left) shows F. W. Parsons, of the London (Eng.) Chamber of Commerce (right) some of the machinery of the Home Oil plant. Facing the camera at the right is the Rt. Hon. L. C. M. S. Amery, who visited Turner Valley with the Chamber of Commerce.

Turner Valley Monthly Record of Production

Turner Valley Production, bbls., as Shipped to Refineries

	Crude Naphtha								Crude Oil							
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
Brit. Dom. No. 1	....	....	....	....	....	....	....	....	....	....	....	....	332	....	....	....
Calmont No. 1	....	....	....	....	....	....	864	....	....	....	....	....	....	....	....	....
Dalhousie No. 1	2,555	....	630	1,359	3,337	276	....	2,844	....	137	....	....	....	....	....	....
Dalhousie No. 5	....	....	....	....	....	....	....	....	1,729	1,549	1,208	1,218	1,794	1,196	1,301	1,326
Dalhousie No. 6	....	....	534	492	539	521	426	394	446	536	71	....	....	....	....	....
Foothills No. 1	....	....	....	....	....	....	....	....	2,300	2,128	1,979	2,130	2,218	2,509	3,420	3,512
Foothills No. 2	....	....	....	....	....	....	....	....	167	....	....	....	....	....	....	625
Home No. 1	....	4,862	17,578	20,921	22,163	20,853	22,201	19,707	828	2,290	744	268	99	....	132	125
Home No. 2	....	....	....	....	109	9,925	11,697	12,162	722	1,098	109	764	1,534	3,329	423	629
Home No. 3	....	....	....	....	....	....	....	4,268	....	....	....	....	....	....	....	1,212
Home No. 4	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	84
Ill.-Alberta No. 1	2,694	2,347	2,079	2,097	2,058	1,652	1,293	1,698	....	....	....	....	....	....	....	....
McLeod No. 1	....	1,914	....	....	....	....	....	....	416	167	646	....	3,129	4,614	4,729	2,748
New M-Segur No. 1	....	....	....	....	....	....	....	....	194	193	....	196	2,036	1,571	1,925	1,812
Okalta No. 1	....	....	....	....	....	....	....	....	2,617	886	228	5,729	8,734	10,500	8,681	9,662
Regent No. 1	....	....	255	524	1,079	1,914	1,828	2,056	....	....	226	629	....	....	....	....
Royalite No. 1	60	141	69	....	....	....	....	....	....	....	....	....	....	....	....	....
Royalite No. 4	17,310	14,952	15,979	16,087	14,161	11,220	11,485	7,901	....	....	....	....	....	....	....	....
Royalite No. 7	2,441	2,096	3,329	2,199	2,179	2,423	2,424	2,801	....	....	....	....	....	....	....	....
Royalite No. 8	39	....	....	4,002	8,054	5,601	4,940	5,309	....	....	....	100	....	....	....	....
Royalite No. 9	....	....	795	695	643	282	602	675	805	805	132	....	....	....	....	....
Royalite No. 10	....	....	....	....	....	....	....	....	194	63	157	124	100	137	....	....
Royalite No. 11	....	....	....	....	....	....	....	....	264	98	215	100	110	186	....	77
Royalite No. 12	....	....	....	....	....	....	....	....	303	....	46	....	....	....	....	....
Royalite No. 13	....	....	245	216	214	124	101	121	....	....	....	....	....	....	....	....
Royalite No. 14	....	....	....	744	1,573	501	425	424	....	....	370	414	....	....	....	....
Royalite No. 15	....	....	....	....	....	....	....	....	697	2,950	687	440	555	218	159	161
Royalite No. 17	716	908	2,878	271	4,216	6,082	6,109	6,957	20	....	....	....	742	55	....	....
Royalite No. 18	....	142	5,686	5,300	4,595	3,597	3,591	3,814	....	135	525	....	....	300	....	....
Royalite No. 19	....	....	....	....	....	....	....	....	....	....	....	....	58	....	....	....
Royalite No. 20	....	....	....	....	....	....	....	....	....	....	126	784	827	567	244	899
Royalite No. 21	....	....	....	....	....	....	....	....	....	....	....	....	1,353	386	312	571
Spooner No. 1	....	1,052	627	....	....	....	....	....	828	....	....	608	1,571	1,098	1,960	1,851
United	....	....	....	....	....	....	....	....	....	....	692	799	922	588	621	431
Vulcan No. 1	161	....	223	....	....	....	....	....	....	....	....	....	....	339	328	196
Total	25.976	28,414	47.838	54,904	62,520	64,950	67,986	71,131	12,530	12,941	8,553	14,303	25,782	27,374	24,305	25,921

Total production of crude oil, 1929 (To Sept. 1)	423,719 bbls.
Total production of crude naphtha, 1928	410,623 bbls.
Total production of crude naphtha, 1927 (approximately)	223,945 bbls.
Total production of crude naphtha, 1926 (approximately)	200,000 bbls.
Total production of crude naphtha, 1925 (approximately)	169,000 bbls.
Total production of crude oil, 1929 (Sept. 1)	151,720 bbls.
Total production of crude oil, 1928	70,734 bbls.
Total production Turner Valley, 1929 (to Sept. 1)	575,439 bbls.
Total production Turner Valley, 1928	481,357 bbls.
Total production Turner Valley, 1927	332,132 bbls.

* 1925 was first year of production of naphtha, Royalite No. 4 giving entire amount, as it also did in 1926. In 1927 Illinois Alberta No. 1 contributed approximately 5,945 bbls., and Royalite No. 4 contributed the balance of approximately 218,000 bbls. In 1928 Royalite No. 4 contributed 199,000 bbls., Royalite No. 7, 30,000 bbls., Royalite No. 8, 40,000 bbls., Dalhousie No. 1, 19,700 bbls., and Illinois-Alberta No. 1, 31,755 bbls.

MANITOBA BRIDGE PROFIT PER SHARE POSSIBLY REDUCED

But Net Earnings Higher—Shares Outstanding Greater

OUTPUT DIVERSIFIED

Curtailment of Railroad Orders Offset in Some Degree—Calgary Plant is Opened

By Staff Editor

WINNIPEG. — Manitoba Bridge and Iron Works is experiencing a very satisfactory year. Net earnings show considerable advance for the eight months to date over the earnings for the same period in 1928. Due to the issuance of an additional 25,000 shares of stock to finance the construction of the new rolling mill at Calgary the earnings per share will not exceed last year and may be less. Working capital, however, will likely show an increase for the year of about $400,000.

The new Calgary rolling mill will likely be completed and in operation early in November. The raw material for this plant will consist of old rails and other scrap metal. The Manitoba Bridge & Iron Works, at its Selkirk rolling mill in Manitoba, pioneered the method of producing steel from scrap. The process is being adapted to the new Calgary plant. The use of scrap steel explains what has been an apparent anomaly to many people, the establishment of open hearth steel manufacture at a prairie city like Calgary that has no local pig iron sources.

New Business With Mines

The product of the Calgary mill will consist of reinforcing bars, light rails for British Columbia and Alberta mines, steel for construction work and shapes of various kinds. The company is spending between $450,000 and $500,000 on its Calgary plant which will employ some 250 men. The money was raised by the issuance of new stock last spring and while the shares will be outstanding when the company issues its annual report for the current year the Calgary plant cannot be counted upon to add much to the year's revenues as the plant will have less than two months' operations.

The company used to do a great deal of work for the railways and during the period when the railways shut down on new construction work it suffered badly. But it turned its attention to securing greater diversity of business and with the development of mining in British Columbia and Northern Manitoba and with the expansion of construction in the cities of Western Canada the company obtained its objective in this regard. Now scarcely a fifth of its business is represented by orders from the railways.

The old stock of the company was closely held. This spring the old shares were split ten to one and new stock was sold at $25 a share in the proportion of one in four, all of it being taken up readily in Western Canada where the company is controlled. The shares are listed on the Winnipeg Stock Exchange and are currently selling at around 43, although they have sold up to 50 since the split. The former dividend, in 1928 was $8 plus 2 bonus. The new stock received its first dividend of 50 cents in July.

Toole, Peet Trades in Oils

Toole, Peet & Co., Ltd., one of the oldest financial houses in Winnipeg and members of the Calgary Stock Exchange, have made the announcement that it now trades in oil stocks.

WESTERN PROVINCES DEVELOP FISH TRADE

Fort Churchill Route to Provide New Market for Nfld. Fish

A great trade in fish between Newfoundland and the Western provinces as the outcome of the new steamship services from Fort Churchill to Liverpool, is foreseen by Lord Morris, former premier of Newfoundland, in a recent article in the London Daily Mail.

By the establishment of cold storage stations for fish along the Labrador coast, vessels calling for grain at Fort Churchill could bring cargoes of fish from Labrador, and thus supply Winnipeg and the other inland markets with a fresh supply of fish at reasonable rates.

It is also pointed out that if the Western provinces can produce a market for cod, it would aid materially in the development of the Newfoundland fisheries; this industry which at one time employed 30,000 men, now finds work for fewer than half that number owing to the fact that the European market, in which they were once supreme, has been largely taken over by the Norwegian fishermen.

Turner Valley Wells Show Gain in Footage

Six wells have made excellent progress in the Turner Valley district for the week ending September 23 according to the report covering drilling operations just issued by the Imperial Oil Co. The wells to show a gain in footage include Lowery, Foothills, Home 5, Baltac, Sterling Pacific, and Hargal.

A comparative report of the drilling operations follows:

	Depth in Feet Sept. 14	Depth in Feet Sept. 23	Progress in week
Royalite 6	4,531	4,531	nil
Royalite 12	5,233	5,245	12
Royalite 16	5,216	5,269	53
Royalite 19	4,623	4,623	nil
Royalite 21	4,448	4,448	nil
Royalite 23	4,645	4.775	130
Dalhousie 7	3,228	3,228	nil
Foothills 3	5,189	5,214	25
Foothills 4	4,339	4.510	171
Home 4	5,179	5,290	111
Home 5	1,985	2,322	337
N.W. Assoc. 1	5,410	5,410	nil
Mayland 1	5,476	5.523	47
Mayland 2	2,617	2.720	103
Mayland 3	2,351	2,420	69
Baltac 1	3,369	3,541	172
Ster. Pac.	3.744	3.912	168
Lowery Pete.	2,856	3,064	208
Hargal	1,823	2,164	341
Highwood 1	4,481	4,499	18
Bow River 2	2,890	2,944	54

B.C. Business Men Form Group on Australian Trade

From Our Own Correspondent

VICTORIA.—A committee of representative British Columbia business men has been formed with a view to co-operating with R. C. Haynes, Australian Trade Commissioner to Canada, in stimulating inter-Dominion trade. The meeting was arranged by the Canadian Manufacturers' Association and composed of British Columbia exporters and importers. Representatives were present from New Westminster, Victoria and Prince Rupert.

It was decided that those present form a standing committee to work in conjunction with Mr. Haynes, to supply him with information and to act generally as a clearing house of business information between the two dominions. The standing committee will appoint executive committees from members of the British Columbia Lumber and Shingle Manufacturers' Association, the Canadian Manufacturers' Association and the Vancouver Board of Trade.

TURNER VALLEY NOT SPECULATIVE AS WAS THOUGHT

International Convention Delegates Declare Alberta Oils Good

From Our Own Correspondent

CALGARY.—The Alberta oil industry has received much publicity as the result of the International Convention of oil men held here September 19-21, which was sponsored by the Oil and Gas Association of Alberta, and the Montana Chapter of the Rocky Mountain Oil and Gas Association.

A number of the leading operators of Montana, Wyoming and Colorado spent the afternoon in Turner Valley as guests of Alberta oil men.

One of the features that impressed the visitors was the fact that so much money is being spent on the best type of drilling equipment. One prominent operator stated that Montana oil men had the idea that there was too much speculative activity for the amount of development and production from Alberta wells. He declared that he was thoroughly convinced that the volume of sales of Alberta oil stocks on Calgary, Toronto and Vancouver and other exchanges, is more than justified.

Donald Campbell of Great Falls, president of the Montana Chapter of the Rocky Mountain Oil and Gas Association, stated that there were two reasons for the trip to Calgary.

"In the first place many of our members have not visited the Turner Valley field and were anxious to do so," he said. "I have not visited the field myself and am greatly looking forward to the tour this afternoon. In the second place we are anxious that the recently formed Oil and Gas Association of Alberta prove an unqualified success, and feel that the holding of the convention here may be of some assistance to that end."

Heads Western Section of Investment Bankers

From Our Own Correspondent

VICTORIA.—Roscoe M. Drumheller of Seattle was elected chairman of the Pacific Northwest Group of the Investment Bankers' Association of America at the 1929 convention just held here.

The annual meeting of the association was attended by 35 members from various points in the Pacific northwest.

Study Western Conditions

From Our Own Correspondent

VICTORIA.—Sir Robert T. Boothby, chairman of the Scottish Provident Institution, accompanied by Alfred Shepherd, a director of the same corporation, is here in the course of a tour of Western Canada. The visitors are studying Western conditions, but do not wish to anticipate their report. The institution they represent has investments in many parts of the world, and the tour was undertaken to study new opportunities for investment.

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Guelph-Chatham Dailies Constitute New Merger

Announcement is made by J. F. MacKay & Co. Ltd., that in association with James Playfair, they have acquired the Guelph Daily Mercury and the Chatham Daily News, including the real estate and buildings in both cities. The new company assumed ownership of the Mercury on September 1, and will take over the News on October 1. E. C. Young will have complete charge of the direction of both newspapers, whose present policy it is the intention of the new owners to continue.

Mr. MacKay, who was for many years business manager of the Toronto Globe, will be president of the company. J. Ewart MacKay, who has also had considerable experience in newspaper work, will be vice-president. Mr. Young, the managing director, has been for the past five years manager of the Chatham Daily News. He is well known and highly esteemed in the newspaper world, having held executive positions on the Montreal Star, the Halifax Morning Chronicle and Evening Star, and the Toronto Globe.

Food for Thought

In the current issues of Gibson's Fortnightly Mining Review investors will find a thoughtful and searching recounting of mining developments and their probable market reactions.

As much of this development work is far from being discounted marketwise, the contents of these issues should prove of particularly timely and profitable interest.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING SEPTEMBER 23

1929 High	1929 Low	Divd. Rate in $	Yield in % Sept. 21		Close Sept. 16 (or last)	Week Ending Sept. 23 High	Low	Close
58	37	.	...	Abitibi, c.	52¾	52½	50¼	50¼
115	106	7	6.25	Do. pref.	112	..	..	..
88	78½	6	7.10	Do. pref.	85	85	84	84
18	15	.	...	Agnew-Surp., c.	17½	17	17	17
101	94	7	7.14	Do. pref.	98	98	98	98
67½	38	.	...	Alta. Pac. Gr.	41½	42	41	41
101¼	94	7	7.25	Do. pref.	95½	96½	95	96½
39	35	.	...	Amal. Electric	36	36	35	35
51½	50	3	6.00	Do. pref.	50	50	50	50
4⅝	4	.	...	Anglo-N. Hold.	.04	..	..	..
22½	5½	.	...	Asbestos, c.	7	7	5½	5½
68	19¾	7	...	Do. pref.	29	20	19¾	20
50	30	.	...	Asch, c.	44	39	39	39
95	85	7	8.23	Do. pref.	85	..	..	..
34	22¾	2	8.00	Assoc. Brew.	24½	25	25	25
99	88½	7	7.52	Do. pref.	93½	93	93	93
32½	20	1.50	7.50	Assoc. Can.	20	..	..	..
20	8½	.	...	Atlan. Sugar	11	10	9¼	9½
70½	50	.	...	Do. pref.	50	50	50	50
189	172	10	5.80	Bk. Can. Nat.	172¾	172¾	172	172
425	320	12+2	3.95	Bk. of Montreal	348	355	343	355
406¼	391	16	4.00	Bk. of N. Scotia	394	400	397	400
282	258	12+1	4.88	Bk. of Toronto	266	266½	266¼	266½
65	47½	1	...	Barcelona Tr.	55	..	..	..
31	26	.	...	Bawlf Grain	26	26	26	26
94	85	6.50	7.49	Do. pref.	86¾	..	..	..
92½	83	.	...	B.C. Fish, pref.	88	..	..	..
32½	18	.	...	B.C. Packers	21	21	19	19½
60	44	2	4.10	B.C. Power (A)	49	49¼	47¾	48
40	26	.	...	Do. (B)	32	32	30	30
29¼	22	.	...	Beacon Oil	29	..	..	..
27½	24½	.	...	Beath & Sons	25	..	..	..
59	40	.	...	Beatty Bros.	55	55⅛	52½	52½
102½	97½	7	7.00	Do. pref.	99	100	99	100
155	131	7	4.66	Belding Cort.	150	..	..	..
108½	101½	7	6.45	Do. pref.	108½	..	..	..
183	160	8	4.73	Bell Telephone	170	170½	165	169
10.00	7.12	.	...	Do. Rights	7.70	7.75	7.20	7.50
107	100	7	6.89	Belgo C. Pa., p.	101	102	101	101
6½	3	.	...	B.E. Steel	4	3½	3¼	3¼
42	28	.	...	Do. 1st pref.	34¼	34½	34½	34½
14	5	.	...	Do. 2nd pref.	8¼	8	7	8
20	20	.	...	Biltmore Hats	20	..	..	..
90	90	7	7.77	Do. pref.	90	..	..	..
51	33	2	5.71	Bissell	35	..	..	..
150	105	7	6.66	Do. pref.	108	110	105	110
45½	34	2	5.88	Blue Ribbon	34	..	..	..
51	43	3.25	7.55	Do. pref.	43½	43	43	43
30½	20	2	6.66	Brading Brew.	30	30	30	30
24	20½	2	9.52	Brant. Cd., pf.	21	21	21	21
82	48	2	3.01	Brazilian	66¾	70½	64½	70½
4¾	2	15c	...	Brew. & Distil.	2¼	..	..	..
71¾	42½	1.25	1.95	Brit. Amer. Oil	66¾	67⅜	63	67¼
49	34	2	4.70	Brompton	43	43	41¾	41¾
37½	21½	1	3.03	Bruck Silk Mills	33	33½	32	32
46	30	1.60	4.58	Building Prod.	35	35½	34¼	35
90	61	3	4.68	Burt, F. N.	64½	67¼	64	64
176	160	5	2.84	Calgary Power	176	..	..	..
50	32	.	...	Can. Bakeries	47⅛	47⅛	47	47
102	99	7	7.00	Do. pref.	100	101	100	101
360	275	12+1	4.56	Can. Bk. of Com.	284	287	283	284
28¾	23	75c	2.88	Can. Bread	27	27	26	26
122	114	7	6.08	Do. pref. (A)	119	115	115	115
109	103	7	6.54	Do. pref. (B)	107½	107	107	107
32½	15	2	11.42	Can. Brewing	16	18	16	16
94	68½	2.50	3.62	Can. Bronze	70	70	69	69
111	110	7	6.36	Do. pref.	110	..	..	..
12¼	8	.	...	Canada Bud	11	11½	10¾	11
28	18¼	50c	1.92	Can. Canners	27	27	25	25¼
92	88½	6	6.70	Do. 1st pref.	88¾	90	89½	89½
28½	20	80c	3.07	Do. 2nd pref.	26¾	27	25½	25¾
175	95½	7	5.30	Can. Car & Fdy.	136	137⅛	129	129½
37¼	33¼	.	...	Do. new	34¾	35	33¼	34
190½	106½	7	5.00	Do. pref.	143	143	138	138
39½	35	.	...	Do. new	35	36	36	36
30½	13	.	...	Can. Celanese	29¼	29¼	29¼	29¼
63½	40	.	...	Do. pref.	60	63	60	60
36	25½	.	...	Can. Cement	27	27	25½	26
99¾	94	6.50	6.70	Do. pref.	97	98½	97	97
60	60	b2½	...	Can. C. Felt, pf.	60	..	..	..
106	90	7	7.77	Can. Converters	90	90	90	90
110	108	8	7.40	Can. Cottons	108	..	..	..
101½	84	6	7.05	Do. pref.	84	85	85	85
89½	54	3	5.31	Can. Dredge	59¾	60	54	56
260	162	7	4.32	Do. pref.	200	162	162	162
97	77⅞	5	5.49	Canada Dry	89	91	86	89⅞
98	97	6	6.15	Can. Fairb., pf.	97½	..	..	..
31	19½	1.50	6.81	Can. Forg. (A)	21	22	20	20
32	20	.	...	Do. (B)	32	..	..	..
48	30	.	...	Can. For. Inv.	40	..	..	..
95⅜	80	8	8.42	Do. pref.	95	95	95	95
95	85	.	...	Do. pref. (B)	95	..	..	..
404	135	.	...	Can. Gen. Elec.	375	..	..	..
62	57	3.50	5.93	Do. pref.	58½	60	59	59
108	98	6	5.82	Can. Gen. Invest.	104	103	103	103
90	88	6	6.81	Can. Hyd. E., p.	88½	88½	88	88½
45	15	1.52	9.00	Can. Ind. Alc.	22½	22¼	15	18
40	13	1.52	10.85	Do. (B)	20½	20	13	14
31¼	28	.	...	Canada Iron	30	30	30	30
88	78¼	5	5.88	Do. pref.	86	86	85	85
71	38	.	...	Can. Light & Pr.	50	..	..	..
61	40	.	...	Can. Locomotive	48	..	..	..
92	80	7	8.75	Do. pref.	80	..	..	..
35	20¾	1.50	6.81	Can. Malting	22½	23	20¾	22
12¾	5	.	...	Can. Marconi	8	8½	7⅜	7½
35½	26	60c	1.81	Can. Nor. Power	32	34	32½	33
110	100	7	6.54	Do. pref.	107	107	107	107
75	38	1	1.88	Can. Oil	51	54	52	53
130	120	8	6.50	Do. pref.	123	123	123	123
265	217½	10	4.34	Can. Pacific	227	230	226½	226½
41	25	.	...	Can. Paving	32	32½	30	30
135	100	7	6.86	Do. pref.	105	105	102	102
243	220	12	5.28	Can. Permanent	229½	228	223	223
39½	26	.	...	Can. Pr. & Pap.	36½	37	34¾	35
51½	26	.	...	Can. Steamships	27	27	26	26½
98	82½	6	7.14	Do. pref.	86	86	82½	82½
45	13	.	...	Can. Vickers	27	22	20	20
93¾	80	7	8.53	Do. pref.	82	..	..	..
38¼	27	1.60	4.70	Can. Vinegar	34½	34¾	30	33
11¾	6½	50c	7.14	Can. Wineries	7	7	6½	6½
27½	19⅝	1.50	7.50	Can. Wire Box.	20	20	19⅝	20
95	70¼	4	4.24	Can. W. & Cable	94	95	94	94
47	32	.	...	Do. (B)	43	43	41½	41½
35½	8	2	...	Carling Brew.	9¼	9½	8⅞	8⅞
30	28	2	7.14	Catelli Mac., A.	28	28	28	28
17½	11	.	...	Do. (B)	15½	14½	13½	13½
410	310	12+3	4.83	Cent. C. Loan	350	310	310	310
21.50	11.00	.	...	Chem. Research.	11.50	12.50	11.00	12.00
84	57	2	2.94	City Dairy	72½	71	61	65
140	120	7	5.69	Do. pref.	128	124½	123	123
53	29½	1.50	4.76	Cockshutt	32	33	31	31½
4	3	.	...	Col. Invest.	4	..	..	..
27	14	.	...	Comm. Alcohol.	15	..	..	..
24	18¼	1	4.76	Conduits	20	21	20	21
105½	101½	7	6.89	Do. pref.	101½	..	..	..
43½	26½	2	6.25	Cons. Bakeries	32¾	32½	30	31
15	5½	.	...	Cons. Food Prod.	6	5¾	5½	5¾
28	17	1.50	...	Do. pref. (A)	17	..	..	..
196	184½	10	5.31	Consumers Gas.	188	188¼	188	188¼
38	34	.	...	Cons. Press	36	38	35½	38
24	17	.	...	Cons. Sand	18	..	..	..
99	85	7	7.69	Do. pref.	93	92	91	91
575	374	12.50	3.11	Cons. Smelters	409⅞	410	400	401
94½	92½	7	7.42	Corr. Pap. B., p.	94¼	..	..	..
28⅞	18	.	...	Cosmos	23½	24	22	22½
101	95½	7	7.03	Do. pref.	99	99½	99	99
5	1½	.	...	Cosgrave Brew.	2½	2½	2¼	2¼
45	20⅛	.	...	Cooksville Br.	35¼	42	42	42
86	63	4	4.65	Do. pref.	86	86	86	86
12¾	5	.	...	Crown Dom. Oil	11	11	10	11
64	56	6	...	Crow's N. Coal.	56	..	..	..
5½	¾	.	...	Cuban Sugar	1½	1½	1¼	1½
18⅞	2⅞	.	...	Do. pref.	5	5⅜	4¾	5⅜
24	15	.	...	Curtiss-Reid	18	..	..	..
34⅛	24½	.	...	Do. pref.	30	24½	24½	24½
89	43	.	...	De Forest	84	89	84	86½
28	14	.	...	De Haviland	28	27	27	27
90	87	7	7.95	Do. pref.	88	..	..	..
.50	.25	.	...	Detroit Rly.	.50	..	..	..
28¾	15	25c	...	Distill-Seagram	19½	19¾	17½	17½
280	240	12+1	5.34	Dominion Bank.	243	244	240	242
117½	90¼	3	2.70	Dom. Bridge	114	114	110	100⅞
90	75	.	...	Dom. Coal	84	..	..	..
113	90	4	3.92	Dom. Engineer.	103	..	..	..
29	16	.	...	Dom. Foundries	16	..	..	..
54	54	.	...	Do. pref.	54	..	..	..
220	152	7	3.58	Dom. Glass	200	198	190	198
125	120	7	5.73	Do. pref.	122	..	..	..
30	10	.	...	Dom. Iron, pref.	28	..	..	..
85	50	.	...	Dom. Power	62½	68	65	68
107¼	100	7	7.63	Do. pref.	104	104	104	104
100	95	7	7.21	Dom. Rub., pf.	97	..	..	..
48½	38	.	...	Dom. Steel, pref.	42	..	..	..
55	40	1.20	2.79	Dom. Stores	40	45	43	43
34	23¾	.	...	Dom. Tar & Ch.	24	24½	24	24
91	86½	6.50	7.77	Do. pref.	89	91	89	91
118	87	5	5.43	Dom. Textile	92	92	92	92
127	114½	7	6.08	Do. pref.	115	115	115	115
28	20	.	...	Donnacona	27	27	25½	27
35¼	20	.	...	Dryden Paper	29¼	28¾	27	27
34	25	.	...	Duff. Paving	29	29	28	28
112	99	7	6.96	Do. pref.	100	100½	100	100
10½	5	.	...	Duluth Sup.	5½	5½	5	5
28	13½	40c	2.66	Durant	16	16	15	15
60	32	.	...	East. Dairies	45	43½	43½	43½
53	32	.	...	East. Steel	41	42	42	42
101	98	7	7.00	Do. pref.	100	100	100	100
27	24½	.	...	East Koot.	27	27	25	25
103	96	7	7.29	Do. pref.	96	..	..	..
82	26	2	...	East. Theatres	30	..	..	..
97½	93	7	7.38	Do. pref.	94¾	..	..	..
40	20	2	10.00	Easy Washer	25	20	20	20
68½	60½	2.50	3.90	Economic Inv.	64	..	..	..
35	25	2	6.66	Enamel & Heat.	30	30	30	30
46	25	3	6.81	Eng. Elec. (A)	43⅛	44	43	43
33	23	.	...	Do. (B)	24	26	23	26
81½	34	.	...	Famous Players	72½	72¼	63	63½
37	25½	1	3.92	Fanny Farmer	25½	..	..	..
33½	29½	2.40	7.74	Do. pref.	31	31	31	31
38	[illegible]	50c	...	Farmers' Dairy	38	..	..	..
107	100	7	7.00	Do. pref.	100	..	..	..
1.75	.10	.	...	Federal Distil.	.50	.25	.25	.25
96½	93	7	7.36	Firstbrook Box	95	..	..	..
70	39¼	.	...	Ford Motor (A)	41¼	44⅜	41	43
172	65	.	...	Do. (B)	66	67¼	66	66
48½	30	.	...	For. Pr. Secs.	40⅛	42	40½	42
24	20	1	5.00	Foundation Co.	20	..	..	..
88½	43	1	2.22	Fraser Cos.	46½	46½	44¾	44¾
15	14	.	...	Frost Steel	14¾	15	14½	14½
98	93	7	7.52	Do. pref.	95	95	93	93
42	23	.	...	Gen. St. Wares.	34¾	35	33	33
377	232	5+5	3.57	Goodyear	295	290	269	269
110½	106	7	6.54	Do. pref.	107¼	108½	106	107
8	1½	.	...	Gotfredson	1½	..	..	..
32	5	.	...	Gt. W. Saddlery	5	5¼	5	5¼
100	82	6.50	7.92	Do. pref.	82	..	..	..
45¾	34½	2	5.00	Gurd, Chas.	43	43	40	40
110	110	7	6.36	Do. pref.	110	110	110	110
129	74⅞	3	2.38	Gypsum & Ala.	124	..	..	..
32⅞	27⅞	1.50	5.21	Do. new	28¾	29½	27⅞	28¾
100	100	7	7.00	Gould Pumps	100	..	..	..
79	37¾	.	...	Ham. Bridge	57	56¾	52	52
95	88	6.50	6.98	Do. pref.	92	93	92	93
35	28½	2	7.01	Ham. Cottons, p.	28½	..	..	..
46¼	28	1	3.33	Ham. Dairies	34	30	30	30
102	98	7	7.00	Do. pref.	99¼	100	99½	99½
14	4	.	...	Ham. Un. Theat.	9	9	7	9
86	74	7	9.45	Do. pref.	74	..	..	..
65	45	2	3.77	Hayes Wheel	54	54	53	53
105	100	7	7.00	Do. pref.	101¼	100	100	100
25	18	1	5.00	Hinde & Dauch	20	..	..	..
135	110	3	2.50	Holt Renfrew	120	..	..	..
106	100	7	7.00	Do. pref.	100	..	..	..
43	14	.	...	Honey Dew	15	15	15	15
85½	64	7	10.60	Do. pref.	70	70	64	65
21	16⅞	.	...	Howe Lumber	19	..	..	..
37	28	2+50	8.92	Humberstone	28	30	28	28
40	29	1	2.77	Hunt (A)	37	36	36	36
40	30	1	2.70	Do. (B)	37	..	..	..
170	160	8	5.00	Huron & Erie M.	160	..	..	..
83	32¼	25c	...	Hydro Electric	81¾	83	80	82
277	246	12+1	5.31	Imperial Bank	260	259	255	255
41¼	26½	50c	1.29	Imperial Oil	38¾	39	38	38¼
11½	9	40c	3.80	Imperial Tob.	10½	10¾	10	10½
111	103	7	6.19	Inter. Milling, p.	108	105	104	104
73	40½	1	1.71	Inter. Nickel	57¾	60⅞	56	58
25½	15	.	...	Inter Paints (A)	22½	20	20	20
34¼	29	2.40	...	Int. Paper & Pr.	29	..	..	..
21¾	16	.	...	Do. (B)	17⅞	..	..	..
16	11½	.	...	Do. (C)	15⅛	..	..	..
33	21½	1	...	Inter. Pete.	29	29¼	26½	26⅝
35	19	.	...	Int. Power	27	26	25	25½
98½	87	7	7.77	Do. pref.	90	90	87	90
50	40	3.50	8.09	Int. Util. (A)	44	43¾	42¾	43½
22¾	15	.	...	Do. (B)	20	19	17	17
37½	29	.	...	Jam. Pub. Ser.	37	37	37	37
115	109	7	6.08	Do. pref.	114	..	..	..
12	6½	.	...	Kelvinator	8	7½	7½	7½
85	70	7	8.97	Do. pref.	80	78	78	78
17	15	.	...	Kemsley Mil.	17	..	..	..
84	56½	6	7.59	King Ed. Hotel	79	..	..	..
9	2	.	...	Lake Ont. Brew.	2	3	3	3
40	14½	.	...	Lake Sup. Corp.	20¾	22½	19	22
65½	50	3.20	5.51	Lake of Woods.	58	58	56	58
122	115	7	5.73	Do. pref.	122	..	..	..
53	40	2	4.00	Laura Secord	49	51	48	51
151	119½	7	4.63	Do. pref.	150	151	151	151
49¼	27	1	3.30	Lindsay, C. W.	30½	31	30	30¼
130	89	6.50	7.22	Do. pref.	90	..	..	..
24¾	17	50c	2.38	Loblaw (A)	20	22	19	20½
24½	17⅞	50c	2.50	Do. (B)	21½	21	20	20
15	15	.	...	Loew's, Marcus.	15	..	..	..
92	80	7	8.75	Do. pref.	80	80	80	80
7	3	60c	...	Loew's, London	4½	..	..	..
65	10	a2	...	Lyall Cons.	15	15½	10	10
44	41½	.	...	Man. Bridge	41½	44	43½	44
48¼	36½	.	...	MacKin. Steel.	40	..	..	..
101	97	7	7.10	Do. pref.	98½	98½	98½	98½
105	65	2.50	...	Manitoba Pr.	79	68	68	68
35	30	.	...	Maple Leaf	35	35	34	35
83½	83½	.	...	Do. (B)	..	83½	83½	83½
115	105	7	6.30	Do. pref.	110	111	110	110
99½	49	3	5.40	Massey-Harris	55½	56	54	54
45	26½	25c	...	McColl-Fron.	41	41¾	37	38
93½	85	6	6.78	Do. pref.	87½	90	88	90
120	78	.	...	Mexican L. & P.	119	..	..	..
46	34	.	...	Mercury Mills	35	..	..	..
94	90	6	6.66	Do. pref.	90	..	..	..
73	45	.	...	Mitchell, J. S.	45	55	46	55
107	104	7	...	Do. pref.	107	..	..	..
66½	41	.	...	Mitchell, Robt.	46	45½	45¼	45¼
20	20	.	...	Monarch Knit.	20	..	..	..
85	66	7	9.33	Do. pref.	83	75	75	75
140	110	6	4.46	Montreal Cot.	135	134½	134½	134½
123	115	7	5.98	Do., pref.	117	..	..	..
20	15	.	...	Montreal Ex.	15	..	..	..
48	35	.	...	Mont. Is. Power	42	41	38	41
159¾	99	2.40	1.55	Mont. L. & Pr.	151	155	148	153¾
51	49	3+25	6.40	Montreal Loan	49	..	..	..
55	48	3.20	6.53	Montreal Tele.	50	49	49	49
193	170	10	5.61	Montreal Trams.	178	..	..	..
36½	26½	1	3.03	Moore Corp., c.	33	33⅛	32½	32¾
141	120	7	5.18	Do. (A)	134	135	129	129
209	168	7	3.50	Do. (B)	199	..	..	..
11	5	40c	...	Muirheads	5¼	5¼	5¼	5¼
10	8	75c	...	Do. pref.	8	..	..	..
9.00	1.00	.	...	Municipal Ser.	1	..	..	..
10	9	.	...	Mt. Royal Hotel	10	..	..	..
57	57	6	...	Do. pref.	57	..	..	..
153	119	4	2.75	Nat. Breweries.	147¼	147	145	145
129	120	7	5.73	Do. pref.	125	..	..	..
15	12	.	...	Nat. Brick, new	12½	12½	12½	12½
35	34½	3	10.00	Do. pref.	..	..	..	..
17¼	3¾	.	...	Nat. Distilleries	9	8	3¾	5
106	100	8	7.76	Nat. Groc., pf.	104	103	103	103
142½	78	2	2.35	Nat. Steel Car.	87¾	90	83	83
390	372	12+1	3.42	National Trust	380	..	..	..
28	24½	.	...	Niag. W. Weav.	24½	25	25	25
47	46	3	6.52	Do. pref.	47	46	46	46
124	121	4	3.22	Nor. Mex. Pr.	124	..	..	..
100	95	7	7.21	Do. pref.	95	97	97	97
26.50	8.25	.	...	North Star Oil.	20.50	21.00	20.00	20.00
5.75	5.00	35c	...	Do. pref.	5.25	5.25	5.00	5.00
30	30	.	...	N.S. Steel, pref.	30	..	..	..
700	495	8+17	...	Ogilvie	660	675	675	675
140	124	7	5.53	Do. pref.	132¼	126½	126	126¼
66½	48	6	...	Ont. Eq. 10% p.	51	51	50	50¼
128	125	6	4.80	Ontario Loan	125	..	..	..
40	22	.	...	Ont. Silknit	40	37	36	36⅛
32	27	1.60	5.33	Ont. Steel	30	..	..	..
105½	105	7	6.63	Do. pref.	105½	..	..	..
20	7½	.	...	Orange Crush	7½	8	8	8
97¾	86	7	8.04	Do. (A)	87	..	..	..
43½	20	2	10.00	Do. (B)	24½	24½	20	20
120	103	6	5.82	Ott. L. H. & Pr.	103	..	..	..
105	100	6.50	6.25	Do. pref.	104	..	..	..
60	53	.	...	Ott. Traction	53	..	..	..
141	115	4	3.06	Page Hersey	135	135	129	129
264	250	7	2.65	Do. pref.	264	..	..	..
56	53	.	...	Paton Mfg.	56	..	..	..
90	90	.	...	Do. pref.	90	..	..	..
8	3¼	.	...	Pelissiers	4	3¼	3¼	3¼
108½	84	4	4.73	Penmans	84	84½	84½	84½
110	103	6	5.60	Do. pref.	107	107	107	107
5	2	.	...	Perfection Glass	2¼	2⅜	2¼	2¼
45	30	2	6.15	Photo Eng.	32	33½	32	32
95	59	.	...	Port Alfred	91	95	86	93½
100	90	7	7.14	Do. pref.	98	98	98	98
60	58	2	3.33	Port Hope San.	60	..	..	..
*67	67	2½	...	Porto Rico Rly.	..	..	..	..
100	85	7	7.77	Do. pref.	90	..	..	..
104	102	7	6.86	Postal Tele.	102	..	..	..
139¾	94	1	...	Power Corp.	126½	126¾	122	124
103	96	6	6.15	Do. pref.	99	99	97½	97½
43	19	1	2.56	Pressed Metals	40	40	38½	38½
125	100	7	5.83	Do. pref.	120	..	..	..
121	71	2	1.90	Price Bros.	109	108	104½	105
110	101	6.50	6.19	Do. pref.	104½	..	..	..
17	13	85c	...	Pub. Util. Inv.	17	..	..	..
40	28	2	6.89	Pure Gold Mfg.	30	30	29	29
99	70½	2.50	2.80	Quebec Power	92½	95	89	89½
3.75	3.50	.	...	Do. Rights	..	3.75	3.50	3.55
115	115	7	6.08	Real Est. Loan.	115	..	..	..
25½	9	.	...	Regent Knit.	10	9¼	9¼	9¼
45	25½	.	...	Reliance Grain	36	32	32	32
36	26	2	7.40	R. S. Mills	27	27	27	27
39½	23	1.50	5.50	Robinson Cone	27¾	27½	27	27
70	61	4	5.71	Rogers, Wm.	70	..	..	..
100	92	7	7.07	Do. pref.	99	..	..	..
410	331	12+2	3.95	Royal Bank	346	360	345	360
100½	95	7	7.21	Ruddy, E. L., p.	97	97	97	97
100	82	5	5.05	Russell Motor	100	99	99	99
116	100	7	6.48	Do. pref.	109	108	108	108
32½	24¾	2	8.08	Sarnia Br. (A)	25	26	24¾	24¾
32¾	14	.	...	Do. (B)	18	..	..	..
88	58	2	2.50	Serv. Stn. Eq.	80	81½	77½	78½
175	121¼	6	3.48	Do. pref.	172	..	..	..
111½	68¾	2	1.96	Shawinigan	103	103	100	101
65	42	1.65	3.00	Sher-Wms.	59½	57¼	52½	52½
130	115	7	6.03	Do. pref.	116	..	..	..
101	90	3	3.15	Shredded Wh.	95	..	..	..
50½	38	2	5.12	Simon & S.	40	39	38	39
106	102	7	6.86	Do. pref.	102	..	..	..
93	92	6½	...	Simpson, Ltd., p.	..	93½	92	93
45	40	.	...	Do. (B)	..	45	40	40
111	101	6	5.82	Simpson, R., pf.	103	103	102½	103
30½	22	.	...	Smith Paper	25	25	23	23
93	85	6	6.66	Do. pref.	90	..	..	..
36	28	.	...	St. Law. Flour.	35	..	..	..
25	17¾	.	...	St. Law. Paper.	23	23	22	22
99	93	7	7.36	St. Maur. V., p.	96	95	95	95
64½	39	1	2.00	So. Can. Power.	52½	52½	50	50
110	102½	6	5.71	Do. pref.	105	105	105	105
48	10	.	...	Sprucolite	15	15	14	15
39	28	2	6.06	St. Pav. & Mat.	33	33½	31	33½
100	90½	7	7.44	Do. pref.	94	94	90½	91½
10	5	1	...	Stanfords	6	5¼	5¼	5¼
87	73	7	8.43	Do. pref.	83	..	..	..
48	25	2+1	7.40	Stand. Chem.	42	40½	40½	40½
153	35	.	...	Stand. Steel	122	..	..	..
20	15	.	...	Do. new	17¾	18½	16½	18
48	37	3	6.66	Do. pref.	46	46	45	45
66½	48⅞	1.75	3.01	Steel of Can.	58½	59⅞	57	57½
60¾	48	1.75	3.53	Do. pref.	50	49½	48	49
15	15	.	...	Sterling Coal	15	..	..	..
45½	28	80c	2.22	Supertest Pete.	36¾	37½	36	36
107	97	7	7.00	Do. pref.	98¼	100½	100	100
44	29½	.	...	Do. Vot. Trust	39	38	35	35
63	40	.	...	Tamblyn	59	58	57	57
102	94	7	7.00	Do. pref.	100	..	..	..
44¾	37½	3.50	8.23	Thayers, pref.	42½	42½	42½	42½
48⅝	33	.	...	Tip Top Tailors	45	46½	43½	45
113	99	7	6.48	Do. pref.	108	108	108	108
30	10	.	...	Tooke Bros.	30	35	35	35
81	60	7	8.64	Do. pref.	81	..	..	..
27	22	.	...	Tor. Elevators	26½	27	24½	26¾
285	250	12	4.52	Tor. Gen. Trusts	263	265	265	265
126	120	6	4.91	Toronto Mtge.	122	..	..	..
9	3¾	50c	12.50	Traymore	5	4	4	4
17¾	12	1.40	...	Do. pref.	12	..	..	..
175	120	4	2.28	Tuckett Tob.	175	175	175	175
122	114⅝	7	5.73	Do. pref.	121	122	122	122
57½	38	4	10.25	Twin City	39	39	38¾	39
96½	96½	7	7.25	Do. pref.	96½	..	..	..
25	22	.	...	United Fuel	24	24½	24	24½
86	79	6	7.50	Do. pref.	79	80	79	79
65½	50	.	...	United Secs.	55½	..	..	..
107½	102	6	5.71	Do. pref.	105	105	104	104
140	130	7+1	6.15	Union Trust	130	..	..	..
45	40	.	...	Union N. Gas.	42	40	40	40
10	2	.	...	Vacuum Gas	8	6	6	6
22	11	.	...	Viau Biscuit	16	..	..	..
88	84	7	8.33	Do. pref.	84	..	..	..
41½	33½	1.60	...	Volcanic Oil	41	..	..	..
58	38	.	...	Wabasso	38	40	38½	38½
28½	15¼	1	6.06	Walker-Good.	17	17¼	15¼	16
39	18½	1	5.26	Waterloo Mfg.	20	20	19	19
105	65	3	3.09	Wayagamack	98	99½	93½	99½
115	38	.	...	Weston	47	48	47	47
110	100	7	6.96	Do. pref.	100½	..	..	..
41	29½	1.40	4.24	West. Can. Flour	33	33	32	32¼
105½	101	6.50	6.34	Do. pref.	102½	102½	101½	102
38	23	.	...	West. Grocers	24	..	..	..
93½	79¾	7	8.75	Do. pref.	80	..	..	..
*110	110	7	...	West Koot, pref.	..	..	..	..
53½	36	.	...	West. St. Prod.	51½	51¼	50	50
100	96	6.50	6.66	Do. pref.	97½	97¼	97¼	97¼
15¼	14⅛	.	...	Whittall Can	15¼	15½	14⅛	14⅛
52	50	.	...	Wm. Alloy Steel	51	..	..	..
39½	29½	.	...	Windsor Hotel	38	37	37	37
92½	85½	6.50	7.47	Do. pref.	87	..	..	..
109½	70	2	2.41	Winnipeg Elec.	86¾	87	81	81
112	100½	7	6.65	Do. pref.	105	107	104	105½
30	30	.	...	Woods Mfg.	30	..	..	..
80	75	7	9.18	Do. pref.	76¼	..	..	..
90	90	7	7.77	Wood, A&J1stpf.	90	..	..	..
14	4	.	...	Zimmerknit	4	..	..	..
85	50	.	...	Do. pref.	50	..	..	..

*Quotations for 1928. No sales recorded in 1929 to date.
a 2% paid in stock September 5. b Interim.

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Mitchell, Robt.		25c	Oct. 15	Sept. 30
Can. Oil, pref.	8%	2%	Oct. 1	Sept.27
Power Corp., 2nd pfd.	6%	1½%	Oct. 15	Sept.30
Int. Nickel	$1	25c	Sept. 30	Aug. 31
C. P. R. pfd.	4%	2%	Oct. 1	Aug. 30
Do., com.	10%	2½%	Oct. 1	Aug. 30
Hamilton Un. Theatres, pfd.	7%	1¾%	Sept. 30	Aug. 31
Can. North. Power, pfd.	7%	1¾%	Oct. 15	Sept.30
Cockshutt Plow	$1.50	37½c	Nov. 1	Oct. 1
Can. Permanent Mtge.	12%	3%	Oct. 1	Sept. 14
Canada Cement, pfd.	6½%	1⅝%	Sept. 30	Aug. 31
Huron & Erie Mtge.	8%	2%	Oct. 1	Sept. 14
St. Maur. Valley, pfd.	7%	1¾%	Oct. 1	Sept. 16
Dominion Bank	12+1%	3%	Oct. 1	Sept. 20
National Steel Car	$2	50c.	Oct. 1	Sept. 18
Can. Gen. Electric	7%	1¾%	Oct. 1	Sept. 14
Agnew Surpass, pfd.	7%	1¾%	Oct. 1	Sept. 16
National Grocers, 1st pfd.	8%	2%	Oct. 1	Sept. 16
Bk. of Nova Scotia	16%	4%	Oct. 1	Sept. 15
Winnipeg Electric, pfd.	7%	1¾%	Oct. 1	Sept. 6
Canadian Car, pref.	7%	1¾%	Oct. 10	Sept. 25
Imperial Tobacco, com.	6%	1½%	Sept. 27	Sept. 6
Do., pref.	6%	3%	Sept. 30	Sept. 6
Ont. Loan & Deb.	12%	3%	Oct. 1	Sept. 16
Brazilian Tr., pfd.	6%	1½%	Oct. 1	Sept. 16
Goodyear Tire, com.	$10	$1.25+$5	Oct. 1	Sept. 14
Standard Steel, pfd.	$3	75c.	Oct. 1	Sept. 15
Bell Telephone	8%	2%	Oct. 15	Sept. 23
Shawinigan	$2	50c.	Oct. 10	Sept. 17
Belgo Can. Pap. pfd.	7%	1¾%	Oct. 1	Sept. 3
Fanny Farmer, c.	$1	25c.	Oct. 1	Sept. 15
Do., pref.	$2.40	60c.	Oct. 1	Sept. 15
Durant Motors	40c.	20c.	Oct. 1	Sept. 10
Ogilvie Flour, c.	$8	$2 + $17	Oct. 10	Sept. 19
Central Can.	12 + 3%	3%	Oct. 1	Sept. 14
Twin City, c.	$4	$1	Oct. 1	Sept. 13
Do., pref.	$7	$1.75	Oct. 1	Sept. 13
Alta. Pac. Grain, pfd.	7%	1¾%	Oct. 1	Sept. 14
Supertest Pet., com. and ord.	80c.	20c.	Oct. 1	Sept. 14
Do., pref. "A"	7%	1¾	Oct. 1	Sept. 14
Do., pref. "B"	6%	1½%	Oct. 1	Sept. 14
Hinde & Dauch	$1	25c.	Oct. 1	Sept. 15
Can. Gypsum, new	$1.50	37½c.	Oct. 1	Sept. 16
United Bond & Share, pfd.	6%	1½%	Sept. 30	Sept. 14
Dominion Stores	$1.20	30c.	Oct. 1	Sept. 16
Tor. Mortgage	12%	3%	Oct. 1	Sept. 14
National Trust	12%	3	Oct. 1	Sept. 20
Page-Hersey, c.	$4	$1	Oct. 1	Sept. 20
Do., pref.	7%	1¾	Oct. 1	Sept. 20
Landed Banking	10%	2½%	Oct. 1	Sept. 15
Consumers Gas	10%	2½%	Oct. 1	Sept. 14
Can. Steamships, pfd.	6%	1½%	Oct. 1	Sept. 16
Beatty Bros.	$2	50c.	Oct. 1	Sept. 14
Blue Ribbon, c.	$2	50c.	Oct. 1	Sept. 15
Nipissing Mines	6%	1½%	Oct. 21	Sept. 30
B. C. Power, "A"	$2	50c.	Oct. 15	Sept. 20
Can. Canners, com.	50c.	12½c.	Oct. 1	Sept. 14
Do., 1st. pref.	6%	1½%	Oct. 1	Sept. 14
Do., Convert. pfd.	80c.	20c.	Oct. 1	Sept. 14
Benson & Hedges, Can., pfd.	7%	1¾%	Oct. 2	Sept. 30
Fraser Co.'s	$1	25c.	Oct. 1	Sept. 20
Porto Rico, pfd.	7%	1¾%	Oct. 1	Sept. 14
Do., com.	...	2½%	Oct. 1	Sept. 14
Inter. Power, 1st pfd.	7%	1¾%	Oct. 1	Sept. 14
Calgary Power, com.	5%	1¼%	Oct. 1	Sept. 14
Mackay, pref.	$4	$1	Oct. 1	Sept. 13
Do., com.	7%	1¾%	Oct. 1	Sept. 13
Postal Telegraph, pfd.	7%	1¾%	Oct. 1	Sept. 13
B. C. Packers, pfd.	7%	1¾%	Oct. 1	Sept. 14
Pressed Metals, com.	$1	25c.	Oct. 15	Sept. 25
Eastern Steel, pref.	7%	1¾%	Oct. 1	Sept. 16
Conduits, com.	$1	25c.	Oct. 1	Sept. 16
Do., pref.	7%	1¾%	Oct. 1	Sept. 16
Barcelona Tr., pref.	$7	$1.75	Oct. 1	Sept. 20
Hunts, "A" and "B"	$1	25c.	Oct. 1	Sept. 29
Premier Gold	24c.	6c.	Oct. 3	Sept. 12
Amal. Electric, pref.	$3	75c.	Oct. 15	Sept. 27
Assoc. Breweries, com.	$2	50c.	Sept. 30	Sept. 14
Do., pref.	7%	1¾%	Oct. 1	Sept. 14
Traymore Cafe, pfd.	7%	1¾%	Oct. 1	Sept. 15
Niagara Wire Weav., pfd.	$3	75c.	Oct. 1	Sept. 16
Hamilton Cotton, pref.	$2	50c	Oct. 1	Sept. 14
Jamaica Pub. Ser., pfd.	7%	1¾%	Oct. 1	Sept. 18
Can. Locomotive, pref.	7%	1¾%	Oct. 1	Sept. 20
Abitibi, pref.	7%	1¾%	Oct. 1	Sept. 20
Moore Corp., com.	$1	25c	Oct. 1	Sept. 13
Do. Class "A"	7%	$1.75	Oct. 1	Sept. 13
Do. Class "B"	7%	$1.75	Oct. 1	Sept. 13
F. N. Burt, com.	$3	75c	Oct. 1	Sept. 13
Do. pref.	7%	$1.75	Oct. 1	Sept. 13
Service Station "A"	$2	50c	Oct. 1	Sept. 16
North Star Oil, pref.	7%	1¾%	Oct. 1	Sept. 16
Can. Wineries	50c	12½c	Oct. 15	Sept. 30
Bissell, com.	$2	50c	Oct. 1	Sept. 16
Do. pref.	7%	1¾%	Oct. 1	Sept. 16
United Fuel, pref.	6%	1½%	Oct. 1	Sept. 15
Brit. Amer. Oil	$1	25c	Oct. 1	Sept. 14
City Dairy, com.	$2	50c	Oct. 1	Sept. 16
Do. pref.	7%	1¾%	Oct. 1	Sept. 16
Inter. Nickel, pref.	7%	1¾%	Nov. 1	Sept. 28
Massey, Harris, com.	$3	75c	Oct. 15	Sept. 30
Consolidated Bakeries	$2	50c	Oct. 1	Sept. 16
Hollinger Cons.	65c	1%	Oct. 7	Sept. 20
Riverside Silk "A"	$2	50c	Oct. 1	Sept. 14
Toronto Gen. Trusts	12%	3%	Oct. 1	Sept. 21
King Ed. Hotel	$6	$1.50	Oct. 1	Sept. 14
Economic Investment	$2.50	$1.25	Oct. 1	Sept. 20
Imperial Bank	12+1	3+1	Nov. 1	Sept. 30
Hayes Wheel, com.	$2	50c	Oct. 1	Sept. 20
Do. pref.	7%	1¾%	Oct. 1	Sept. 20
Canada Bread "A" pfd.	7%	1¾%	Oct. 1	Sept. 16
Do. pref. "B"	7%	1¾%	Oct. 1	Sept. 16
Tamblyns, pref.	7%	1¾%	Oct. 1	Sept. 24
Dufferin Paving, pref.	7%	$1.75	Oct. 1	Sept. 16
Honey Dew, "A" pref.	7%	$1.75	Oct. 1	Sept. 16
Dom. Textile, com.	$5	$1.25	Oct. 1	Sept. 16
Do. pref.	7%	1¾%	Oct. 15	Sept. 30
Standard Fuel, pfd.	6½%	1⅝%	Oct. 1	Sept. 16
Monarch Mtge. & Inv., pfd.	8%	2%	Oct. 15	Sept. 30
Second Stand. Royalties, pfd.	12%	1%	Oct. 1	Sept. 25
Tip Top Tailors, pfd.	7%	1¾%	Oct. 1	Sept. 16
Can. Wire Box, com. "A"	$1.50	37½c	Oct. 1	Sept. 30
Dome Mines	$1	25c	Oct. 21	Sept. 30
Inter. Utilities "A"	$3.50	87½c	Oct. 15	Sept. 30
Do. pref.	7%	$1.75	Nov. 1	Oct. 18
Western Grocers, pfd.	7%	1¾%	Oct. 15	Sept. 20
Union Trust	7%	1¾%	Oct. 15	Sept. 30
Hamilton Bridge, pfd.	6½%	1⅝%	Nov. 1	Oct. 15
Goderich Elevator	$1.40	35c	Oct. 1	Sept. 15
Dom. Power & Trans., pfd.	7%	1¾%	Oct. 15	Sept. 21
Chas. Gurd, com.	$2	50c	Oct. 1	Sept. 15
Do. pref.	7%	$1.75	Oct. 1	Sept. 15
Clarke, Howe, Waters & Knight, pref.	7%	1¾%	Oct. 1	Sept. 16
Ottawa L. H. & Pr., com.	6%	1½%	Sept. 30	Sept. 14
Do. pref.	6½%	1⅝%	Oct. 1	Sept. 14
Sherwin-Wms., com.	..	40c+5c	Sept. 30	Sept. 15
Do., pref.	7%	1¾%	Sept. 30	Sept. 15
Montreal Trams.	$10	$2.50	Oct. 15	Oct. 7
A. J. Freiman, pfd.	6%	1½%	Oct. 1	Sept. 14
Western Grain, pfd.	6½%	1⅝%	Oct. 2	Sept. 15
Northern Ont. Power, pfd.	6%	1½%	Oct. 25	Sept. 30
Dominion Glass, com.	7%	1¾%	Oct. 1	Sept. 16
Do. pref.	7%	1¾%	Oct. 1	Sept. 16
Western Brew.	8%	2%	Oct. 1	Sept. 14
Traymore, pfd.	7%	1¾%	Oct. 1	Sept. 15
Brantford Cord., pfd.	8%	2%	Oct. 15	Sept. 20
Quebec Power	$2.50	62½c.	Oct. 15	Sept. 26
Can. Forgings "A"	$1.50	37½c.	Oct. 15	Sept. 30
Woods Mfg. pfd.	7%	1¾%	Oct. 1	Sept. 26
Can. Fairbanks pfd.	6%	1½%	Oct. 15	Sept. 30
Nor. Mexico Pr. cum.	4%	1%	Oct. 1	Sept. 26
Do., pfd.	7%	1¾%	Oct. 1	Sept. 26
Building Products "A"	$1.60	40c.	Oct. 1	Sept. 24
Tuckett Tobacco, com.	4%	1%	Oct. 15	Sept. 30
Do., pfd.	7%	1¾%	Oct. 15	Sept. 30
Inter. Paper & Power pfd.	7%	1¾%	Oct.15	Sept. 25
Do., pfd.	6%	1½%	Oct. 15	Sept. 25
Dom. Engineering	$4.00	$1.00	Oct. 15	Sept. 30
Orange Crush, pfd. "A"	7%	1¾%	Oct. 1	Sept. 20
Do., pref. "B"	$2.00	50c.	Oct. 1	Sept. 20
Home Oil	...	20%	Oct. 25	Sept. 30
Pure Gold Mfg. Co.	$2.00	50c.	Oct. 15	Sept. 30
Can. Indust. Alcohol	$1.52	38c.	Oct. 15	Sept. 30
Do., "B"	$1.52	38c.	Oct. 15	Sept. 30
Eng. Elec. "A"	$3.00	75c.	Oct. 15	Sept. 30
B. C. Power "A"	$2.00	50c.	Oct. 15	Sept. 20
Diver. Std. Secs.	8%	2%	Oct. 1	Sept. 16
Do., com.	....	25c.	Oct. 1	Sept. 16
2nd Div. Std. Secs. pfd.	7%	1¾%	Oct. 15	Sept. 30
McColl-Frontenac, pfd.	6%	$1.50	Oct. 15	Sept. 30
Aberley Knitting, pfd.	7%	1¾%	Oct. 1	Sept. 20
Mt. Royal Hotel, pfd.	6%	1½%	Oct. 1	Sept. 14
Easy Washing Machine	$2.00	50c.	Oct. 1	Sept. 27
Can. Cottons, com.	8%	2%	Oct. 4	Sept. 21
Do., pfd.	6%	1½%	Oct. 4	Sept. 21
Dom. Rubber, pfd.	7%	1¾%	Oct. 15	Sept. 25
Founders Invest. com.	$1.00	25c.	Oct. 15	....
Do., pfd.	$3.00	75c.	Oct. 15	....
Gould Pumps, com.	8%	2%	Oct. 1	Sept. 20
Do., pfd.	7%	1¾%	Oct. 1	Sept. 20
Provincial Paper, pfd.	7%	1¾%	Oct. 1	Sept. 15
Canada Northern Pr. com.	60c.	15c.	Oct. 25	Sept. 30
Alta Wood Preserving pfd.	7%	1¾%	Oct. 1	Sept. 20
Silverwood's Dairies pref.	7%	1¾%	Oct. 1	Sept.25
Do., Class "A" and com.	...	25c.	Oct. 1	Sept. 25
Sin-Mac Lines, pref.	7%	1¾%	Oct. 1	Sept. 20
Can. Northwest Land	...	$1.00	Oct. 15	Sept. 25
Dominion Park	...	50c.	Oct. 15	Oct. 1
MacKinnon Steel, pref.	7%	1¾%	Nov.	Oct. 15

Winnipeg Grain Prices

Week to September 24

Crop Year High	Low		Open Sept. 18	High for Week	Low for Week	Close Sept. 24
		Wheat				
1.73	1.02½	October	1.51½	1.52	1.42⅝	1.46⅝
1.60⅝	1.43¾	November	1.52¾	1.53¼	1.43¾	1.47⅝
1.68¼	1.05¼	December	1.53	1.53	1.43⅞	1.47½
1.71⅞	1.50	May	1.58½	1.59	1.50	1.53⅛
		Oats				
.73⅛	.44⅞	October	.70¼	.70¾	.67½	.69⅜
72¼	.68¾	November	.71	.71⅜	.68¾	.70¼
.71⅝	.46	December	.71⅛	.71½	.69⅛	.70⅛
.75⅛	.68⅜	May	.74¼	.74⅝	.71⅞	.72⅝
		Barley				
.90⅝	.63	October	.75¼	.75½	.70½	.72⅜
.81⅝	.72½	November	.71	.76¾	.72½	.73⅞
.89½	.65	December	.71⅛	.78½	.73½	.73¼
.89⅛	.79	May	..	.83⅜	.79	.80⅛
		Flax				
3.07	1.87	October	2.92	3.00	2.87½	2.91¾
3.00¾	2.90	November	2.99¾	3.00¾	2.90	2.91½
3.07	2.48	December	2.91½	3.00	2.88	2.90
3.15	2.55	May	2.99	3.08	2.93	2.98
		Rye				
1.28½	.78	October	1.10	1.10¼	1.04½	1.07⅛
1.28½	.83	December	1.12⅜	1.12⅜	1.06½	1.09⅜
1.26⅛	1.13	May	1.18⅛	1.18⅛	1.13	1.14½

Foreign Exchange

	NEW YORK FUNDS High (Premium)	Low	Last Year High (Discount)	Low
Sept. 18	51-64	3-4	1-32	3-64
Sept. 19	52-64	49-64	Par	3-64
Sept. 20	15-16	13-16	Par	Par
Sept. 21	1%	31-32	Par	1-32
Sept. 23	1%	15-64	1-64	1-64
Sept. 24	11-32	7-8	1-64	1-64

Unlisted Canadian Securities

Name—	Bid	Ask
Allens Beach, pfd.	50.00	....
Do., London, pf.	60.00	....
Do., King., pf.	58.00	65.00
Anglin-Nor.	74.00	....
Anti Corp., 7% pf.	95.00	98.00
B.C. Pulp c.	7.00	9.00
Do., pfd.	74.00	74.00
Border C. H., pd.	....	24.00
Brand, H.C.	36.00	....
Do., pfd.	74.00	74.00
Brit. Am. Assur.	57.00	....
Brit. M. & T.	215.00	240.00
Brown Co. 6% pf.	90.00	94.00
Brooks Steam, pf.	....	1.00
Burns & Co., pf.	94.00	97.00
Canadian Arena	110.50	....
Can. Cr. Stone, pfd.	73.00	....
Can. Goderich	15.00	....
Can. Mach., com.	9.00	11.00
Do., pfd.	35.00	40.00
Can. Mort. Invest.	74.00	....
Can. Pack. c.	40.00	40.25
Do., 7% pfd.	101.25	102.25
Caulfields D., com.	42.00	....
Do., pfd.	95.00	....
Cities Service	53.00	53.50
Can. Ind., com.	245.00	325.00
Do., pfd.	114.00	117.50
Can. Inv. Corp.	23.00	26.00
Can. Pap., 7% pf.	....	90.00
Can. Fire Ins.	102.50	105.00
Can. Nat. Fir.	38.00	41.00
Chase, A. W., com.	....	2.00
Do., pfd.	....	60.50
Chart Trust	116.00	....
Com. Fin., c.	18.00	23.00
Do., pfd.	75.00	78.00
Capital Life	27.00	33.00
Cont. Life, 20%	81.00	82.50
Com. Life, 10%	28.00	29.50
Confed. Life	305.00	....
Can. Gen. Invest. Trust 2nd	96.00	....
Copeland Fl., pf.	17.00	21.00
Chem. Res., com.	11.50	12.00
Cedar Golf	....	60.00
Crown Life	400.00	....
Crown Cork & Seal	38.00	44.00
Clifton Co.	125.00	150.00
Can. West	99.25	100.00
Dom. Alloy, pfd.	1.00	2.00
Dom. Linens, com.	1.50	4.00
Do., pfd.	20.00	26.00
Dom. Mf. com.	7.00	....
Do., pfd.	73.50	....
Dom. Sug., c.	40.00	42.00
Do., 6% pf.	95.00	....
Dunlop 7% pf.	102.75	....
Deb. & Sec., c.	91.50	....
Do., pfd.	72.00	....
Dom. Fire	150.00	155.00
Dom. Guar.	340.00	400.00
Dom. Life 50% pf.	450.00	525.00
Durant Accept. Corp.	7.50	....
East Car, pd.	70.00	....
Emp. Life, 15% pd.	30.00	31.00
Excel Life 30% pd.	130.00	150.00
Engineers Holdgs.	.04	.09
Fid. Ins.	175.00	....
Famous Players vt. trust	68.00	70.00
Greening, 7% pd.	102.00	102.75
Guar. Real., pd.	63.00	79.00
Guelph Inv.	130.00	....
Gr. West Life	750.00	....
Guar. of N.A.	275.00	....
Gen. Stlwres., pfd.	99.50	101.50
Hard. Carp., com.	....	22.00
Do., pd.	74.00	80.00
Int. Prop.	35.50	36.75
Im. Life	450.00	525.00
King Edw. A.	76.00	79.00
Do., B.	75.00	79.00
Kingston Sh., pfd.	15.00	....
Do., com.	7.00	....
Loew's, Tor.	....	22.00
Do., pfd.	80.00	85.00
Loew's, Lond., c.	4.00	5.00
Do., pfd.	6.25	7.00
Loew's Wind., pfd.	50.00	....
Lindsay Distill	9.00	....
Lambton Loan	83.00	....
London Loan	18.00	....
Lake St. John	15.00	20.00
Lakeview Golf	45.00	....
Lambton Golf	470.00	....
Legare	15.00	20.00

Name	Bid	Ask
Do., pfd.	93.50	94.00
Mansfield, T., c.	80.00	....
Do., pfd.	....	86.00
Milton Brick, c.	....	28.00
Merchants Casualty	....	15.00
Mt. Rayol H., c.	7.00	9.00
Do., scrip.	3.25	4.00
Mt. Royal H., c.	7.000	9.00
Midland Loan	15.00	20.00
Mort. Disc. com.	.40	.60
Do., pfd.	5.00	5.50
Monarch Mort., pd.	....	12.00
Morrow Screw, c.	50.00	....
Mfrs. Life	420.00	435.00
Mon. Life 10% pf.	49.00	50.00
Mont. Life 20%	50.00	52.00
Mississauga	20.00	35.00
Mont. Fin. pf.	62.00	....
Mutual Fin., pfd.	8.00	8.25
Do., com.	8.00	8.25
Mont. Isl. Pow., pf.	98.00	....
Nat. Groc. com.	1.00	2.00
Do., 2nd pfd.	38.00	42.00
N.B. Power, 1st. pf.	60.00	65.00
N. Ont. Power, pf.	93.00	....
N.S. Power	50.00	....
Do., pfd.	95.00	97.50
Nat. Life 25% pf.	115.00	135.00
N. A. Life	100.00	125.00
Peoples Loan	86.25	....
Prem. Trust	84.00	....
Para Kitchener, c.	....	1.50
Do., pfd.	40.00	....
Para Oshawa, pfd.	75.00	....
Prud. Trust, pfd.	83.00	....
Prov. Paper	99.00	101.00
Que. P. & P., pd.	17.00	21.00
Roll Paper	93.00	95.00
Rosedale Golf	....	210.00
Standard Clay, c.	....	32.00
Sher. Trust	115.00	120.00
Ster. Trust	108.50	109.25
Sask. Life	21.00	25.00
Sov. Life	68.00	69.50
Sun Life	3750.00	4050.00
Select. Indus.	22.50	....
St. Law Units	70.00	72.50
Summit Golf	20.00	35.00
Tor. Brick pf.	72.00	....
Tor. Ball	....	76.00
Tor. Carp. com.	123.00	....
Do., pfd.	95.50	....
Traders Fin. "A" pf	....	88.50
Traders Fin. "B"	....	89.00
Tr. & Guar.	99.00	101.00
Tri-Cent., c.	48.00	51.00
Do., pfd.	108.00	110.00
Thistledown	40.00	65.00
Thornhill	90.00	110.00
Toronto Casualty	....	18.00
Un. Amuse, c.	37.00	45.00
Williards Choc. c.	6.00	....
Do., pfd.	61.00	....
Woods, Alex., pfd.	....	90.00
Waterloo Trust	125.00	....
Wes. Assur.	64.00	67.00
Weston Golf	85.00	100.00
York Golf	300.00	350.00

Recent London Quotations

Brit. Metal Corp.	42s. 6d.
Brewers & Distillers	10s. 10½d.
Brit. Can & Gen. Invest.	30s.
Br. Contr. Oilfields	5s. 4½d.
Can. and For. Sec.	15s. 6d.
Can. West Lumber	7s. 7½d.
Hudson's Bay	103s.
5% pref.	100s. 7½d.
International Holdings	13 9-16
Standard Chemical	40½
Wall Paper Mfg.	30s. 3d.
Pref. 5%	18s.

Recent Winnipeg Quotations

	Bid	Ask
Beaver Fire	127	130
North Trusts Co.	50	51
No. Star Oil, pf.	....	5.60
No. Star Oil, c.	20¼	20⅝
Crescent Creamery	....	98

Recent Vancouver Quotations

	Bid	Ask
B. C. Tel. pfd.	105	106½
Gosse Pack. pfd.	81	86
Gregor. Tire & Rub.	.35	..
Pac. Coyle, pf.	....	100
Do., com.	10.50	13.00

Flood, Barnes Active Bond Prices

Week Ending September 16

	Price	Next Date	Yield
Abitibi Power & Paper 5% 1953	85½	Dec. 1	6.15
Algoma Steel Corpn. 5/62	72	Oct. 1	7.15
Argentine Govt. 6/58 Series B	99	Dec. 1	6.65
Bell Tel. of Canada 1st 5/57	101½	Dec. 1	4.90
Brazil, U.S. Ext. S.F. 6½/57	89	Oct. 1	7.25
Can. Biscuit Co. Ltd. 6½/46	84½	Nov. 1	8.20
Can. Cement Co. 1st Mtge. S.F. 5½/47	99½	Nov. 1	5.55
Can. Northern Power 5% 1953	92	Nov. 1	5.60
Canada Power & P. 5½/58	84	Jan. 1	6.75
Can. Light & Power, 1st S.F. 5/49	88	Jan. 1	6.00
Can. S.S. Lines 6/41 1st & Gen.	99	Feb. 15	6.10
C. P. Rly. Coll. Trust 5/34	99	Oct. 15	5.10
C. P. Rly. Secured 4½/44 Notes	94	Oct. 15	5.00
Can. Goodrich Income 7/43	60	....	...
Chile Republic Ext. S.F. 6/60	91	Oct. 1	6.75
Colombia Repub. Ext. S.F. 6/61	79	Oct. 1	7.90
Dom. Iron & Steel Consol. S.F. 5/39	88½	....	...
Dom. Square Corp. 6/48	97	Oct. 1	6.25
Dominion Tar & Chemical Debs., 6/49	102	Jan. 2	5.80
Donnacona Paper Co. 1st S.F. 5½/48	91	Feb. 1	6.30
Donnacona Paper Co. Debs. 6/48	92	Feb. 1	6.75
Duke Price Power Co. 1st 6/66	105	Nov. 1	5.70
Eastern Dairies Convertible 6/49	101	Nov. 1	5.90
Fraser Companies 1st 6/50	98	Jan. 1	6.10
Fraser Companies Convertible Notes, 6/32	104	Jan. 1	4.55
Fraser Cos. 6½/42 Debs. Cum. Warrants	101	Oct. 1	8.30
French Line Ext. S.F. 6½/51	101	Feb. 15	6.37
French Nat. Mail Ex. S.F. 6/52	99½	Nov. 1	6.05
General Steel Wares 1st S.F. 6/52	101	Nov. 1	5.90
Gatineau Power 1st S.F. 5/56	94	Dec. 1	5.30
Gatineau Power S.F. Debs. 6/41	99½	Dec. 15	6.05
Howard Smith P. M. 5½/53	92	Dec. 1	6.10
Hydro Electric Bond & Sh. Coll. 5/47	90	Jan. 1	5.80
International Hydro-Electric 6/44	109	Oct. 1	5.10
Manitoba Power 1st S.F. 5½/51	99½	Jan. 1	5.55
Massey-Harris Co. 1st Mtge. 5/47	96	Oct. 15	5.25
Montreal, City of, 5/58	101	Apr. 1	4.90
Montreal Coke 1st S.F. 5½/47	98½	Dec. 1	5.60
Montreal Island Power 5½/57	96	Nov. 1	5.80
Montreal Power 5/51	101	Jan. 1	4.95
Montreal Tram. 1st Coll. Trust 5/41	97	Jan. 1	5.35
Montreal Tram. Gen. Ref. 4½/55	88	Oct. 1	5.35
Montreal Tram. Gen. 5 55	94	Oct. 1	5.45
Nova Scotia Steel & Coal 1st 5/59	72½	...	...
Nova Scotia Steel & Coal 6 deb.	44	...	...
Northwestern Utilities 1st 7/38	104	Dec. 1	6.30
Ontario, Province of, 5/59	101¼	Nov. 1	4.90
Port Alfred P. & P. 1st 5½/57	90	Nov. 1	6.30
Power Corp. of Canada 4½/59	100½	Mar. 1	4.45
Price Bros. 1st S.F. Series A 6/43	104	Feb. 1	5.50
Quebec Power 1st Mtge. Coll. S.F. 5/68	98½	Dec. 1	5.08
Rio de Janeiro Trams. 5/35	95	Jan. 1	5.80
Shawinigan W. & P. 4½/68	92	Dec. 1	5.00
Simpsons 6/49	100½	Jan. 2	5.85
Sou. Canada Power 1st 5/55	98½	Oct. 1	5.10

Listed Bond Quotations

Week Ending September 23

Montreal	Int. Rate	Due	Latest Yield	Ask	High	Low	Range 1929 High	Low
Asbestos	5	1942	...	...	...	...	100	...
Asbestos 1st mtge.	6	1911	7.26	89	...	...	95¾	93
Do., gen. mtge.	6	1956	8.34	70¼	...	...	88	75
Calgary Power	5	1940	...	*96	...	...	97	94
Can. Car	6	1939	5.39	*109	...	...	109	105
Can. Cons. Rubber	6	1946	5.85	*102½	...	...	104½	101½
Can. Cottons	5	1940	5.30	97	...	...	98	97½
Can. Forgings	6	1942	...	...	...	...	...	...
Can. Locomotive	6	1951	5.95	*100¼	...	...	100½	97
Can. Pr. deb.	5½	1958	6.85	82⅞	83	82	89¼	80
Can. S. S. deb.	5	1943	5.10	...	...	...	101½	99
Cedar Rapids	5	1953	5.07	*99	...	...	100	97½
Dom. Canners	6	1940	5.51	...	...	...	104	...
Dom. Coal	5	1940	5.30	*97½	...	...	98⅛	97
Dom. Iron	5	1929	...	...	...	...	98	...
Mex. Elec.	5	1942	8.30	...	...	...	74	...
Mex. L. & Pr.	5	1940	...	*72½	...	...	75¾	71½
Mont. L. H. & Pr.	4½	1932	6.07	*96	...	...	97	95¾
Mont. Tr. 1st mtge.	5	1941	5.34	97	97	...	99¾	94¾
Mont. Tr. "A"	5	1955	5.43	93¾	94	...	98½	92
Mont. G.&R. "B"	5	1955	5.54	93¾	...	...	97¼	92½
Do., "C"	4½	1955	5.36	87½	...	...	88½	86¼
Nat. Brew.	6	1939	...	...	...	...	...	...
N. S. Steel	5	1959	7.48	*71	...	...	72	65
Ogilvie Flour "A"	6	1932	5.63	*101	...	...	101	100¾
Do., "B"	6	1932	...	*101	...	...	...	...
Do., "C"	6	1932	5.27	*101	102	...	102	...
Ont. Steel	6	1943	...	*104	...	...	104	...
Porto R. Rly.	5	1936	...	99	...	...	...	...
Steel of Can.	6	1940	5.23	108¼	...	...	107	105¼
Wabasso	6	1947	5.91	...	...	...	101	...
Wayagamack	6	1951	5.95	*100½	100½	100	101	98½
West K. Power	6	1940	5.27	...	106	...	106	...
Winn. Elec.	5	1935	6.94	95	...	...	93	...
Toronto—								
Canada Bread	6	1941	5.15	107	...	...	107½	101½
Can. Canners	6	1950	5.91	101	101	...	102¼	100
Dom. Canners	6	1940	...	...	...	...	...	...
Porto R. Rly.	5	1936	...	*92	...	...	...	...
Postal Tel.	5	1953	5.61	94	...	...	93¾	88¾
Steel of Can.	6	1940	...	...	...	...	...	...
* Latest bid.								
Dominion Govt. Bonds (Montreal)—								
War Loan	5	1931	5.10	99.80	99.40	....	101.15	98.80
Do.	5	1937	4.73	101.90	101.60	....	103.00	99.90
Victory Loan	5½	1933	5.25	100.70	100.75	100.45	102.50	100.30
Do.	5½	1934	5.40	100.45	100.55	100.15	102.60	99.65
Do.	5½	1937	4.78	105.20	104.90	104.50	106.05	103.70
Do., Refund	4½	1940	5.00	96.00	96.05	95.65	98.40	93.90
Do., Refund	5	1943	4.95	100.35	100.20	100.00	102.85	99.50
Do., Refund	4½	1944	4.89	96.10	....	....	98.50	93.75
Do., Refund	4½	1946	4.87	96.10	....	....	98.90	94.10
Do., Renewal	5½	1932	5.40	100.35	100.35	99.95	100.65	99.45

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Sept. 18	4.84 1-8	3.91 5-16	5.23
Sept. 19	4.84 7-32	3.91 1-16	5.22 3-4
Sept. 20	4.84 5-32	3.91 1-16	5.22 13-16
Sept. 21	4.84 3-16	3.91 1-16	5.22 7-8
Sept. 23	4.84 13-32	3.91 1-4	5.23 1-8
Sept. 24	4.84 13-32	3.91 1-4	5.23 1-8

FOREIGN EXCHANGE

Par		Sept. 10	Sept. 17	Sept. 24
5.263	Italia	5.25¾	5.26¾	5.27½
23.80	German	23.93	23.98	24.00
13.90	Belgian	13.96½	13.97½	13.99½
49.80	Japanese	[illegible]	[illegible]	[illegible]

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U.S. INSURANCE COMMISSIONERS MEET IN TORONTO

Sixtieth Annual Convention Draws Large Group of Executives

For the first time in the 60 years of its existence the National Convention of Insurance Commissioners of the United States was held outside the United States when the commissioners from over 40 states and a widely representative attendance of insurance executives met in Toronto at the conclusion of the conference of provincial superintendents of insurance. That the problems discussed were of more than national importance was evidenced by the presence of many Canadian insurance men at the meetings, which continued from September 17 to 20.

The programme of business includes an address on "Automobile Merit Rating" by Hon. J. E. Sullivan, commissioner of insurance for New Hampshire followed by a discussion by Hon. Clarence Wysong, commissioner of insurance for Indiana. The report of the committee on disability clauses in life insurance policies provoked the most discussion, but report was finally adopted with but one amendment to the effect that sufficient reserves to cover disability benefits must be maintained by the companies.

A comprehensive address on investments of insurance companies was read by Hon. Albert Conway, New York, followed by remarks by Hon. Ray A. Yenter, Iowa. While time did not permit the discussion of this large subject, Mr. Conway suggested that it be placed on the agenda for yearly discussion and the formation of a committee to draft a model investment law for the guidance of the legislatures of the various States. Hon. C. D. Livingstone, Michigan, read an address on "The Agency Situation."

Entertainment formed no small part of the programme of the convention and American visitors were received by the Lieutenant-Governor of Ontario and dined by Premier Ferguson and the Government of Ontario; trips were taken by auto and delegates were taken by boat to see Niagara Falls and the Chippewa power house of the Ontario Hydro-Electric Commission.

The Ontario Government, insurance commissioners and Canadian insurance interests co-operated in the fullest degree to impress the visitors with Canada, Ontario and Canadian insurance.

Last year's officers were all re-elected to their former posts: President, Hon. H. P. Dunham, Connecticut; first vice-president, Clarence C. Wysong, Indiana; second vice-president, Jess G. Read, Oklahoma; secretary-treasurer, Joseph Button, Virginia; executive, R. A. Yenter, Iowa; S. A. Olsness, North Dakota; John E. Sullivan, New Hampshire; Don C. Lewis, South Dakota; Clare A. Lee, Oregon; C. D. Livingstone, Michigan; Dan C. Boney, North Carolina.

Life Insurance Sales in Canada*

	1924	1925	1926	1927	1928	1929
January	$30,673,000	$30,838,000	$33,907,000	$36,986,000	$47,569,000	$50,575,000
February	30,704,000	28,698,000	34,744,000	35,525,000	39,962,000	47,443,000
March	34,383,000	35,001,000	40,483,000	42,883,000	44,823,000	49,406,000
April	32,603,000	38,872,000	37,346,000	41,631,000	46,718,000	53,333,000
May	33,868,000	34,377,000	37,703,000	44,553,000	49,581,000	51,283,000
June	34,295,000	42,307,000	44,634,000	45,298,000	51,844,000	54,700,000
July	33,205,000	37,671,000	40,101,000	39,962,000	49,492,000	56,078,000
August	27,983,000	31,724,000	36,010,000	38,360,000	43,503,000	42,468,000
September	30,029,000	33,543,000	34,878,000	35,000,000	38,872,000	....
October	32,483,000	36,259,000	40,226,000	48,104,000	55,743,000	....
November	34,357,000	36,760,000	44,251,000	44,935,000	54,865,000	....
December	37,120,000	41,822,000	46,777,000	48,899,000	56,647,000	....

Total, 1928	$579,619,000
Total, 1927	$502,438,000
Increase 6%	$77,181,000
Total 1st 8 months of 1929	405,286,000
Total 1st 8 months of 1928	$373,492,000
Increase of 8.5%	$ 31,794,000
Decrease from August, 1928, 2.3%	$ 1,035,000

*Companies having in force 84 per cent of total outstanding business in Canada. New, ordinary business only. Figures by Life Insurance Sales Research Bureau, Hartford, Connecticut.

Insurance Companies Reduce Bond Holdings

Hon. Albert Conway Addresses Insurance Commissioners on Investments of Insurance Companies at Convention in Toronto

The insurance department of the State of New York will not lend its prestige to any radical change in the character of insurance investments, according to Hon. Albert Conway, superintendent of insurance for the State in an address on "Investments of Insurance Companies" given before the National Convention of Insurance Commissioners of the United States, recently held in Toronto. While the subject was treated from the viewpoint of New York State, the leading character of the insurance department of that state and the large number of insurance companies doing business within its borders add weight to the remarks of the superintendent. He recommended that in the interests of uniformity, the state commissioners of insurance should appoint a committee to discuss the subject and draft a model investment law for the guidance of legislatures.

A study of the trend of investments of insurance companies during the past seven years indicates a definite change in policy and tables presented with the address show that in New York State, mortgage loans had superseded bonds as the principal form of life insurance investment. Bond holdings decreased from 54.4 per cent of the companies total investment in 1921 to 45.1 per cent in 1928, while mortgage loans increased from 41.8 per cent in 1921 to 50.6 per cent in 1928 of a total investment of $11,345,496,390.

Call Loans Increase

A substantial increase in the call loan account of the fire and marine insurance companies operating in the state is noted in 1928 as compared with 1921 but the rise was not gradual and occurred mainly in 1928. While no comparison is given of the insurance stock holdings as between 1921 and 1928, insurance stocks constituted 13.668 per cent of the stock holdings of fire-marine companies in 1928.

The increase in holdings of this character is a development of recent years and was not regarded as a problem in 1921. While United States branches of foreign companies in this field have refrained from investment in insurance stocks at the suggestion of the New York department of insurance, this suggestion has been withdrawn in order to give foreign companies the same general investment privileges enjoyed by United States companies.

While casualty-surety companies in New York State are under no restrictions or limitations with respect to investments which do not apply with equal force to fire-marine companies, the tables presented by Mr. Conway show that there has been less change in the earlier form of investment policy. There has, however, been a substantial increase in the proportion of stock holdings from 10.18 in 1921 to 23.07 per cent in 1928 and a decline in bond holdings from 78.28 per cent. in 1921 to 65.94 per cent in 1928. The trend is still in the early stage as compared to fire-marine companies. Collateral loans of casualty-surety companies show a good increase during the 7 year period but the increase was confined to 1928. Investments in insurance company stocks amounted to 21.22 per cent of stock holdings in 1928.

Resulting Problems

Mr. Conway concluded that the most important investment problems may be traced directly to the current trend away from bond holdings and toward more profitable investments. The problems that arise have been classified as:

(a) Improvements in Legislation
(b) Stocks versus bonds generally
(c) Insurance company stocks
(d) Quantum of Individual Investments
(e) Collateral Loans.

New York Legislation

The Wales-Merriam amendment to the New York insurance law, passed in 1928, permits insurance companies to invest in preferred or guaranteed stocks of corporations that during each of the five years preceding investment have earned a sum of 4 per cent of par value which is applicable to dividends. In the case of stocks of no par value the value placed on the stock at issue is used. No life insurance company is permitted to invest in, or loan on, preferred stock in excess of 10 per cent of the total issued and outstanding preferred stock of the corporation nor more than 2 per cent of the assets of the life insurance corporation.

The amendment broadens the field of investments for insurance companies but is not sufficiently precise. "Preferred stock," and "earnings" are not defined; merger corporations, representing the combination of two or more highly successful enterprises, are proscribed for five years, regardless of earnings; corporations which pass their dividends on account of declining earnings are not proscribed as long as they earn four per cent; not more than two per cent of the assets of a life company may be invested in any one preferred stock but there is not prohibition against investing practically all of the assets in 40 or 50 preferred stocks. To correct some of the apparent weaknesses a redrafting of the New York law as regards investments of insurance companies is now under consideration.

Stocks Versus Bonds

While concessions have been made in the New York law permitting investment in preferred and guaranteed stocks a number of life insurance companies wish still further concessions permitting investment in common stocks. These concessions if granted would involve a number of changes in the laws regulating their investments. In Mr. Conway's opinion, the increasing number of convertible bonds, or bonds with warrants attached, that are being offered provide the companies with opportunities to share in profits of the offering corporations without sacrificing safety of principal and interest. Life insurance companies are also allowed to purchase convertible preferred stocks. No investment policy should be allowed that would cast any doubt on the certainty of payment of policies by insurance companies and the attitude of the New York insurance department will be against any radical changes in the present laws restricting life insurance investments.

Fire-marine and casualty-surety companies are allowed almost absolute freedom in the selection of investments, owing to their different necessities. A minimum amount must be invested in government an municipal issues or mortgage loans; the amount to be invested in foreign securities is limited as well as that for investment in stocks of other insurance companies, but the remaining funds may be invested in stocks and bonds of any solvent United States corporation. Some of the companies in these fields have made large profits during the past few years from their investments in stocks and the soundest fire companies have for some years maintained a larger proportion of stock investments than bond investments. Recent profits confirm the soundness of the original investments.

Insurance Companies' Stock

The present limitation in New York of stocks of other insurance companies which may be held is based on the investing company's surplus, and Mr. Conway holds that this basis is unscientific and that it should be based on combined capital and surplus or the total admitted assets of the company. There seems to be no logical basis for restricing the holdings of a fire company in the stock of a casualty company or vice versa. These matters are now under consideration.

Limitation of the percentage of the investing company's assets in other insurance companies would, however, be sound policy and a recommendation is now under consideration in New York to restrict any single investment to 10 per cent. of the insurance company's admitted assets and to 10 per cent of the stock of the company in which investment is made. The latter limitation already applies to life companies investing in preferred stock.

Collateral Loans

Call loans are well secured and promptly callable and insurance companies have freely utilized the call loan market during the past year for employment of their otherwise uninvested funds. Call loans are permitted under the New York statute but must be amply secured and title to collateral must be vested in the insurance company alone. Participation in a general loan is not permitted. Call loans are considered a sound form of investment for insurance companies but may be considered only a temporary condition which may not recurr for a number of years.

Liberalizing the law to permit officers and directors to have a pecuniary interest in purchases of securities by or sales of securities to insurance companies would be unwise as it would let the bars down entirely. The demand arises through the necessity of insurance companies having competent financial counsel on their boards of directors and that representatives of financial houses wishing to continue doing business with the insurance companies are thus barred from the directorate.

No importance is attached to suggestions regarding permission to invest the minimum required capital in securities issued by any state rather than the home state. It is held that within reasonable limits, a state should be permitted to require a modicum of co-operation from its enfranchised financial institutions. A greater freedom might be allowed for investment in securities of foreign governments or corporations and especially Canadian government securities.

Commercial Life Reports Good Gain in Current Year

With nearly $11,000,000 of business in force and an estimated income for the current year of about $450,000, the Commercial Life Assurance Company of Canada has shown decided improvement since the inauguration of a new management in 1918, when the business in force amounted to only $184,000. This growth compares favorably with the comparative gain made by any other company over the same period in Western Canada.

The company has announced a programme of expansion and development with the object of attaining business in force of $20,000,000 by the end of 1930; assets of $3,000,000; yearly income of $1,000,000 and an interest income of $200,000. While the company originally operated under Dominion license in the Prairie Provinces only, its scope has been broadened in recent years and will be still further widened under the present programme.

In order to extend the field of its activities the company is making an issue of stock rights as announced previously in "The Financial Post." It is anticipated that with increased capital available the company will be in a position to obtain the objective set.

Canadian Surety Enters Fire Insurance Business

The Canadian Surety Company is entering the fire insurance field with the formation of a fire insurance department under the management of K. M. Sabiston.

Mr. Sabiston was formerly an inspector with the Kentucky Actuarial Bureau and later a special representative in the Ontario field for the Home Insurance Co. He is a graduate of Armour Institute with the degree of Bachelor of Science in Fire Protection Engineering which he obtained in 1920 after returning from overseas service in the Canadian Corps. Mr. Sabiston is a native of Perth, Ontario.

MORAL HAZARDS REQUIRE STUDY IN WRITING RISKS

Rules to Reduce Loss on Casualty Policies Are Outlined

Rules to agents for the limiting of the moral hazard in the writing of casualty risks are outlined by Stanley Wachtel in the current number of "Metro-Surance." The moral hazard enters to some extent in all classes of insurance and the rules presented in are as applicable to other lines of insurance as they are to casualty.

The moral hazard is an unusually important factor to be considered in the writing of all branches of casualty insurance. It certainly should be emphasized far more than it is at present. A well-known executive of a large casualty insurance company has gone so far as to state that moral hazard constitutes 90 per cent of the risk.

The Gray-Snyder case brought the subject of moral hazard in life insurance before the public recently, and it is well known that life insurance companies are careful to check up the insurable interest of the beneficiary.

Fire insurance companies are also quick to recognize moral hazards in certain types of fire risks and display no hesitancy in declining them.

Casualty underwriters are just as strict in this regard, but the knowledge of the subject is by no means so complete that agents cannot profit by adding to their stock of facts on the subject.

Unfortunately, moral hazard is an intangible, uncertain factor. There are no statistics published which can determine the percentage of supposedly honest persons who are using honest businesses as cloaks for crime. We are unable to discover what part the criminal represents in our business population.

The company looks almost entirely to the agent who comes in contact with the assured, to investigate the risk from a moral standpoint. The quality of all casualty business that is written, therefore, is dependent, to a large extent, upon the honor of the broker or agent.

Nevertheless, experience has given the underwriter some rules that should be generally followed, especially on the part of the agent:

1—To begin with, it is important that the agent get as much information as he can as to the environment, neighborhood, type of associates, and family of the assured.

2—It is important to judge whether the applicant is of the type that would be likely to "frame" the company if opportunity arose.

3—Thorough investigation should always be made whenever insurance is placed in the name of a woman. Quite often the husband of a woman applicant has a bad record either in credit or insurance circles, and so attempts to avert suspicion by applying for insurance in the name of his wife. Quite often, also, a woman's name is used because the man has no place of business which can be ascertained. Any suspicion of the existence of an undisclosed principal should put the agent on guard.

4—The temptation to defraud may often be revealed by the applicant's failure to give complete information, or by actual misrepresentation in order to get a desired rating.

5—A desire for large coverages on ordinary risks, or attempts to over-insure, should make agents wary of the applicant.

6—Attention should be given to certain types of hotel proprietors, real estate operators, pool-room or bowling alley owners, fruit and produce dealers, soft drink parlors, general merchants, and retired business men.

Moral hazards are by no means confined to criminal types. A respectable car owner may have a carefree family, which is made up of notoriously reckless drivers. An honest business man may have a partner who gambles heavily, either in stocks, cards, or on the race-track, thus jeopardizing business funds.

In compensation and accident and health cases, there are types who are addicted to prolonging a doubtful illness, the so-called malingering cases. There are those who put in claims for injuries incurred before they were insured, others resort to ingenious ruses in their efforts to malinger and receive income cheques as long as they can.

AUGUST LIFE SALES HAVE SHARP DECLINE

Prairie Provinces Register Greatest Losses for the Month

Life insurance sales in Canada for the month of August, as reported by Life Insurance Sales Research bureau, amounted to $42,468,000 for companies having 84 per cent of the total outstanding business in the Dominion. The August business represents a decrease of 2.3 per cent from that written in August, 1928, and is the first month that sales have lagged behind the same month of the previous year since July, 1927. Sales for the first eight months of the current year, however, are 8.5 per cent larger than the corresponding period in 1928, while for the 12 months ended August 31, 1929 sales are 11 per cent greater than in the preceding 12 months.

British Columbia and New Brunswick both showed a gain of 18 per cent in August as compared with August, 1928. Prince Edward Island gained nine per cent; Quebec six per cent, while Ontario sales were approximately the same and sales in Nova Scotia were one per cent less; Manitoba nine per cent less, Saskatchewan 22 per cent and Alberta 45 per cent less. Newfoundland registered a gain of 19 per cent.

The volume of business written in the various provinces during August altered the relative standing of the provinces for the eight month's period. British Columbia stepped up to first position with a gain of 18 per cent over the volume of business written in the corresponding period of 1928. Nova Scotia is second with a gain of 16 per cent and Ontario third with a gain of 13 per cent. Quebec and Manitoba, with gains of seven and five per cent respectively, conclude the list of provinces showing increased business but New Brunswick and Saskatchewan show losses of only 1 per cent. Alberta and Prince Edward Island have losses of seven and ten per cent respectively.

Hamilton, Ont., still leads the larger cities in the amount of increased business with a ratio of 152 to business written in the eight months' period. Vancouver ranks first for August with a ratio of 149 and ranks third for the year to date with 128. Ottawa ranks second for the month with 128 and second for the year with 134. Montreal continues to write the same volume of life business as was written last year but the Toronto business dropped badly in the month to a ratio of 86. Business in Winnipeg is but slightly under that of last year, the ratio being 98 for August and 99 for the year to date. Quebec shows a ratio of 107 for the month and 112 for the eight months.

CHARLES E. OTTON LTD.
1818 Scarth St., Regina, Sask.
Provincial Managers for Saskatchewan
British Colonial Fire Insurance Company
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CONFIDENCE
Economical management, high interest earnings, liberal policy provisions, have resulted in Assurance in Force of Over $60,000,000
THE MONARCH LIFE ASSURANCE COMPANY
Good Openings for Salesmen. Apply: Head Office, Winnipeg

Registered with Department of Insurance, Ottawa
Operating in Manitoba, Saskatchewan, Alberta and British Columbia
THE WAWANESA MUTUAL INSURANCE CO.
Canada's Largest Fire Mutual
FIRE LIGHTNING WINDSTORM
Insurance in force over $152,000,000.00 Assets over $2,680,000,000
We are now accepting business in Cities and Towns.
Write us for your requirements!
THE WAWANESA MUTUAL INSURANCE CO.,
Wawanesa, Man.

Her Monthly Love Letter

THE first day of the month, and every month comes this love letter to her. For over two years now she has been receiving it, and it will come with the same regularity as long as she may live.

It was a thoughtful, loving husband and father who made this arrangement with The London Life to send his wife $100.00 a month as long as she should live.

A better plan could not be devised. The home is preserved; the mother's love and care are continued to her little daughter, who is thus assured of proper surroundings, a good schooling and every opportunity in life.

And how simple the doing of a deed with such far-reaching effects. An annual deposit equal to $5.80 per week in a London Life Monthly Income Jubilee Policy taken when he was 30 accomplished it all.

Our representatives are specialists in arranging Monthly Incomes. Information furnished freely and without obligation.

London Life
Insurance Company
"Canada's Industrial-Ordinary Company"
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NORMAN S. JONES, President ESTABLISHED 1872
SENECA JONES & SON LIMITED
HOME OFFICE: HAMILTON, ONT.
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Combined Assets, $8,000,000 Policyholders' Surplus, $4,000,000
Associate and Reinsuring Companies' Assets Over $40,000,000
Inquiries from Well-Established Agencies Invited
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HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
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Assets $4,398,035.23
ALL POLICIES NON-ASSESSABLE
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PROGRESS EXTRAORDINARY
The Remarkable Development of a Decade

During the last ten years The Commercial Life has made remarkable progress. Everyone connected with this company realizes that there can be no standing still. Movement is either backward or forward, and The Commercial Life moves forward as the following table graphically illustrates:

YEAR	BUSINESS IN FORCE	ASSETS	TOTAL INCOME	INTEREST INCOME
1918	$184,000	$71,905	$11,278	$2,873
1920	$723,000	$109,699	$53,444	$5,963
1922	$3,920,359	$229,725	$143,787	$11,122
1924	$5,754,629	$400,866	$195,791	$15,181
1926	$6,790,998	$611,909	$252,492	$28,681
1928	$10,058,498	$1,024,117	$376,193	$52,394
*1929	$11,000,000	$1,250,000	$450,000	$65,000

*Estimated

The Commercial Life, having a Dominion charter and license, aims to be Dominion-wide in its activities. It already has business in force in every province of the Dominion; in twenty-three of the United States; in Alaska, Newfoundland, Portuguese West Africa, Cuba, China, Australia, New Zealand, West Indies, and in the British Isles.

The Commercial Life Announces
a program of expansion and development that will give it at the end of 1933 business in force of over $20,000,000; assets of $3,000,000; yearly income of $1,000,000, and an interest income of $200,000.

In This There is Much Promise for the Supporters of The Commercial Life

R. H. CAUTLEY
President
The COMMERCIAL LIFE Assurance Company of Canada
Sound as the Dominion
J. W. GLENWRIGHT
Managing Director

The Best Form of Socialism

Life assurance expresses the best feature of Socialism in organized form and on a scientific basis.

It is the savings of the many to help the individual in the time of his or her greatest need.

It is the easiest and safest way to provide funds to meet many contingencies of family life when the call for money is most insistent.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

The
CANADA NATIONAL FIRE
INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 767 Yonge Street
W. W. COOPER—*Superintendent of Agencies.*
Applications for Agencies invited.

PRUDENTIAL
ASSURANCE COMPANY LIMITED of LONDON, ENGLAND
Assets Exceed $1,000,000,000
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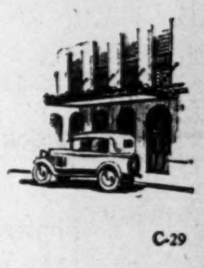
BERNARD HUMPHREY, Manager for Canada
North West Branch: Huron & Erie Building, Winnipeg
Toronto Agency: Parkes, McVittie & Shaw, Confederation Life Bldg.



METROPOLITAN LIFE
Insurance Co.
Metropolitan Life will pay during 1929 to its policyholders $77,138,725 in dividends. Total dividends paid or credited to date will then be approximately $450,000,000.
C-29
CANADIAN HEAD OFFICE - - OTTAWA.

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.

This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

ASSETS:
Reserves - - - $37,000,000.00
Surplus - - - - 2,000,000.00

Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger
HEAD OFFICE: TORONTO, CANADA

Fifty Years of Prosperity and Service

The Canadian Order of Foresters
Established in 1879
Head Office: **BRANTFORD, ONT.**

True to its original purpose, 100,000 Canadians have been furnished protection to their homes, at cost, by this outstanding Society.

DIVIDENDS PAID TO MEMBERSHIP

In the last four years, eight months' Premiums have been waived, approximating $800,000.000.

Accumulated Funds Over $12,000,000.00

ACTUARIAL SOLVENCY OVER 105%

Our contracts include Straight Life; Life at 65 Years; Twenty Pay Life; Twenty-Year Endowment; Endowment at 65 Years; and Family Protection.

Over $24,000,000.00 paid in insurance and sick benefits to members and their dependants since organization.

W. M. COUPER, Montreal,
High Chief Ranger.
A. P. VAN SOMEREN,
Brantford,
High Secretary
A. C. WILEY, Brantford
Superintendent of Organization.

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the danger of fires demands the protection of portable fire extinguishers. The new THERMENE type is instantaneous in action. Operates in any temperature and effectively kills fire in every combustible material. One of six types made by Pyrene and approved by the Underwriters' Laboratories. Ask your insurance man.

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A thorough coverage of all these points is given. For example the International Nickel card is a 12-page booklet. The Power Corporation card is an 18-page booklet.

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High River Oilfields, Limited.
The Toronto Mortgage Company.
Sunlight Oils, Limited.
Mercury Oils, Limited.
Electric Elevator and Grain Company, Limited.
Barry-Hollinger Gold Mines, Limited.
Illinois-Alberta Oils, Limited.
The Toronto General Trusts Corporation.
Admiral Oils, Limited.
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The complete service is $20 monthly. Part services are available, also, giving you continuous investment information on any group of companies you select. Individual analysis may be obtained at $1 a copy. Write for full details with regard to the complete service or any of its branches.

The Financial Post Corporation Service
143 University Ave., Toronto

FRATERNAL POLICY HAS WIDE APPEAL ON LOW COST BASIS

Fraternalism Offers Many Attractions to Members

The appeal of fraternal insurance lies to a great extent in its low cost, combined with the advantages of membership in a social group. While the appeal may not be universal, the history of fraternal insurance extends well over a century and despite many trials, has reached a sound actuarial basis and is to be considered in any serious study of life insurance.

The fraternal policy differs from that of an insurance company in that the policy of the latter constitutes a definite contract with the assured that upon payment of a definite premium the company will pay a definite amount upon death or termination of the policy. Should a life company fail and have a deficit, a possibility that is very remote due to stringent government supervision, the company would be obliged to reduce the face value of its contracts. The fraternal society, however, has the right to change its rates or vary the terms of its certificates upon general resolution at any time. If the fraternal society should fail it would be able to raise its premiums to meet the deficit.

Fraternal societies are now generally on the level premium basis and the basis of valuation is the National Fraternal Congress table. The societies are now on an actuarially sound basis, subject to government inspection, and are a safe medium in which to insure. Offering as they do protection at a low premium payable monthly they are in many instances the educational influence that leads to a recognition of the merits of life insurance protection.

First Cost Low

Combined with low cost protection is the appeal of fraternalism, of meeting in social equality with others of similar ideals. In many of its functions the fraternal organization acts as a service club and several of the organizations maintain up-to-date orphanages and sanatoria for the benefit of their members. Lodge dues, which are payable monthly, are maintained at a very reasonable scale, and the lodge rooms in many of the smaller communities are the headquarters of the social activities of the district.

The ritual of many of the organizations is distinctive in character and impressive in conception and satisfies a desire which is present in one form or another in most normal persons. Tracing their history back for many decades as a majority of the larger societies do, there is a feeling of personal pride on the part of many of the members which is hardly possible for policyholders of an insurance company.

The ideals of the fraternal societies are touched upon in annual report of President F. S. Mearns, of the Canadian Fraternal Association, delivered this year in the Border Cities. Mr. Mearns stated that the work of the societies should be directed for more interesting and well-directed lodge activities; for more careful selection and better performance of ritualistic work in the lodge units; for a more intensive and better training of the field workers; for a better education concerning and more correct understanding of the need of life insurance among the members and those eligible to become members; for the simplification without impairment of the fraternal insurance contract; for a more persistent solicitation of the fraternal group in the canvas for members; for further consideration and a clearer understanding of the nature of the acceptance of applicants without medical examination.

Thus with a long history behind them the fraternal societies are still looking forward, correcting faults in organization and bending their efforts toward the education of their members. Fraternal insurance is low cost insurance but in addition to the financial aspect there is the element of fraternalism, of members drawing together not only for protection but for recreation and social activities, and this element is to be considered as well as the purely insurance feature.

Insurance Inklings

The LIFE UNDERWRITERS ASSOCIATION of Toronto held their initial meeting of the fall season on September 26 and were addressed by Prof. Wm. B. Bailey on the subject of "The Economic Background of Life Insurance." Prof. Bailey, formerly professor of economics at Yale University, is the economist of the Travellers Insurance Company of Hartford, Conn. Presentation was made at the meeting of C.L.U. diplomas to those successful in the recent examinations and certificates of office were also presented to past presidents of the association.

The London Life announces the appointment of W. E. BROWNE, C.L.U., as manager of the Northern Ontario agency which, until recently was under the direction of W. E. WOLFE. Mr. Browne comes from Winnipeg where he has been training supervisor of the Winnipeg Ordinary district.

W. H. Colclough, for several years district manager of the British Columbia agency of the company has been appointed manager of the Stratford District.

JOHN G. RICHTER, F.A.S., president of the London Life, celebrated his 75th birthday on September 18.

The Canadian head office of the Metropolitan Life Insurance Company announces the following changes in the field: ARTHUR LORANGER, Montreal, district, is appointed assistant manager at the St. Denis, Montreal, district; PIERRE ALBERT GUAY, assistant manager at the St. Denis district, is appointed general assistant manager at the Canadian territory; WILLIAM LOGAN, agent at the Riverdale, Toronto, district, is appointed assistant manager at the Stratford, Ont., district; STANLEY C. LEVY, general assistant manager at the Canadian Territory, is appointed additional assistant manager at the Outremont, Montreal, district; HERCULE LEBOEUF, assistant manager at the Outremont, Montreal, district, is appointed manager at the Timmins, Ont., district; ALPHONSE BERGERON, agent at the St. Lambert, Quebec, district is appointed assistant manager at the St. Lambert district.

Fraternal Insurance in Canada

It is the practise of the secretary of the Canadian Fraternal Association to present at the annual meeting each year a statistical review of the leading fraternal societies in Canada which offer fraternal insurance to their members. The following table presented by Claire Jarvis, secretary of the association, gives in brief the statistics of the larger fraternal societies with particular reference to Canada, so far as the information could be obtained.

From the table it would appear that the Canadian membership of the fraternal societies remained practically the same as in 1927 when there were 279,624 members, there being however, a decrease of some 1,848. The largest increase in membership made in the year was made by the Societé des Artisans Canadian-Francais, which had an increase of 1,185 members. New insurance during the year amounted to $29,493,453, while terminations amounted to $30,135,164. Insurance in force in Canada amounted to $250,749,639.

The income of the tabulated societies during 1928 in Canada was $7,421,019, and expenses $802,592, and expenses therefor were 10.8 per cent of income. This low cost of operation explains in part the appeal of the fraternal societies since insurance can be secured at comparatively low rates.

FRATERNAL INSURANCE IN CANADA

Name of Society and Date of Organization	Members Dec. 31, 1928	New Insurance 1928	Insurance Terminated 1928	Deaths Insurance 1928	Insurance in Force Dec. 31, 1928	Income for 1928	Total Expenses 1928	Deaths and Disability Claims Paid Since Organized
Alliance Nationale, 1893	35,397	$ 7,528,708	$ 5,926,666	$ 302,688	$29,542,882	$ 1,442,718	$ 86,436	$ 5,040,804
Assoc. Canado-Americaine, 1897 ..	3,221	164,775	205,028	26,501	2,291,454	74,232	22,443	705,984
Can. Order of Foresters, 1879 ...	50,546	2,265,750	1,988,200	864,500	50,241,550	1,931,146	153,743	23,683,961
Catholic Mu. Benefit Assoc., 1880	5,548	324,321	338,923	182,232	5,299,445	246,575	31,432	9,591,683
Catholic Order of Foresters, 1883	17,716	726,500	1,149,545	296,049	16,876,992	145,759	27,033	9,211,558
Can. Or. of Chosen Friends, 1887	14,323	1,155,555	1,539,192	293,584	11,801,769	573,168	54,659	10,826,707
Ind. Order of Foresters, 1874	55,862	9,329,992	11,622,161	1,058,685	55,099,130	not prorated		
Knights of the Maccabees, 1883 ..	7,517	1,412,074	1,124,763	130,319	6,910,816	289,557	61,419	5,496,151
L'Union St. Joseph du Can., 1863	19,827	1,606,748	1,959,250	145,410	16,532,748	623,765	62,862	6,014,061
Can. Order of Oddfellows, 1852 ..	1,988	212,301	237,022	24,962	1,455,057	64,241	18,989	949,640
Gr. Orange Lodge B. Assoc., 1830	3,312	331,900	169,300	59,000	3,802,850	148,533	21,077	1,730,915
Royal Temp. of Temperance, 1874	2,864	476,500	494,750	78,250	3,115,750	167,831	33,740	3,882,290
Royal Arcanum, 1877	2,832	320,020	469,080	92,516	4,161,930	not prorated		
Sons of Scotland, 1876	6,632	616,037	508,880	92,505	4,148,525	170,391	32,360	2,061,961
Soc. des Artisans Can. Fr., 1877	40,076	2,095,772	1,353,715	401,282	30,382,018	1,153,623	142,483	7,642,141
Sons of England, 1884	1,373	32,500	71,225	34,180	1,198,705	69,471	4,270	1,634,504
Women's Benefit Assoc., 1892 ...	2,792	391,750	320,886	20,929	2,313,393	59,293	6,578	262,154
Woodmen of the World, 1893	5,950	502,250	656,578	109,750	5,574,625	260,716	43,068	2,825,476
Totals, 1928	277,776	29,493,453	30,135,164	4,213,342	250,749,639	7,421,019	802,592	91,559,990

Note—These figures are for Canada only, so far as the information could be obtained.

Fraternal Insurance Has Very Wide Appeal Throughout Canada

That fraternal insurance has a wide appeal is evident from the large number of fraternal societies operating in Canada. A few of the larger fraternal societies operating in the Dominion are outlined below but this list is necessarily incomplete since many of the fraternals are local in character and there is also a great number of beneft associations particularly in Ontario and Quebec.

While Dominion statistics show figures for only nine Canadian and 18 foreign fraternal benefit societies operating under Dominion charter in 1928 there were some 36 fraternal societies licensed to transact life insurance in Ontario. The amount of mortuary certificates alone in force in Ontario at the end of 1928 totalled $121,182,286. When it is considered that policies never exceed $5,000 and the average is much lower, it may be seen that there is a wide public appeal.

ANCIENT ORDER OF FORESTERS

The Ancient Order of Foresters, organized in Canada in 1881 and incorporated with Dominion charter in 1898, is a branch of one of the oldest insurance institutions in the world, its foundation dating back to the eighteenth century. The society offers participating policies at very low rates which compare favorably in a number of cases with rates of other organizations on policies which do not participate in profits. The A.O.F. declares substantial dividends every five years on all policies which reduces the net cost of protection; it does not issue non-profit policies.

A new industrial branch was opened in March, 1928, with policies available on a monthly or weekly basis on three main plans: whole life, 20-pay life and 20-year endowment. Due to the inauguration of this department the expenses for the year 1928 were greater than usual.

During 1928, new business amounted to 420 policies totalling $295,683. The total business in force was $3,663,231, spread over 4,617 policies.

The total premium income for the year was $124,884 and expenses amounted to $110,556. Payments of $85,740 were made to policyholders. The assets of the organization amounted to $1,374,319 and liabilities $1,243,288, leaving a surplus of $131,031. Surplus for the year amounted to $2,630. Interest earned was 6.37 per cent.

CANADIAN ORDER OF CHOSEN FRIENDS

The Canadian Order of Chosen Friends was organized and incorporated in Ontario in 1887 and has its head office in Hamilton. As at December 31, 1928, the order had assets of $1,752,052 and an annual premium income of $511,864. Management expenses amounted to only 10.67 per cent. of the annual premiums and the organization is therefore operated on an economical basis.

During 1928, 1,089 certificates were issued for a total of $1,155,555. The total business amounted to $11,801,769, divided among 14,323 certificates for an average of $823. The average certificate during 1928 was therefore well above the general average. During the year, $277,045 was paid out in mortuary benefits to members and there was an excess of $214,102 income over expenditures. Interest was earned at the rate of 5.03 per cent.

The order issues policies of from $250 to $5,000 and in addition to the premiums a small monthly lodge due is collected. Disability insurance is granted on all forms at varying rates. Cash surrender values and paid-up insurance are given after five years membership commencing Jan. 1, 1929.

During 1928, the organization commenced to write 20-year endowment insurance in addition to the policies for whole life, 20-payment life and endowment at age 65 already issued.

CANADIAN ORDER OF FORESTERS

The Canadian Order of Foresters, with assets of $12,279,857, was incorporated in Ontario in 1879, and on December 1 completes its fiftieth year of activity. The head office is located at Brantford, Ont. Premium income during 1928 was $1,177,284 and expenses were $153,743 and the ratio of expense to premium income was therefore 13.50 per cent. Payments to members (mortuary department) amounted to $908,125 and there was an excess of $682,896 income to outgo. During 1928, new business amounted to $2,265,750 on 2,225 certificates. As at December 31, 1928, the total business amounted to $50,241,550 on 50,546 certificates.

The society issues certificates from $250 to $3,000 on whole life, 20 pay life, 20-year endowment, life policy premiums to age 65, endowment at 65 and family protection. Surrender values of non-profit paid-up insurance are allowed after five full years' premiums have been paid. No cash or extended insurance values are allowed and no loans are granted. All profits of the organization belong to members and in 1928 the cash dividend paid members was two months' premiums.

CANADIAN WOODMEN OF THE WORLD

The Canadian Woodmen of the World was organized and commenced business in 1893 under a Dominion charter and, while being distinctly a Canadian order, enjoys fraternal relations with the Sovereign Camp, Woodmen of the World, with headquarters in Nebraska. Total assets at the end of 1928 amounted to $1,786,223 and liabilities to $1,490,342. The order has a clear surplus over all liabilities of more than $250,000.

The order declared its first bonus in 1928, on the basis of $20 per $1,000 of insurance and is preparing to declare a further bonus in 1930. Its various forms of policies are capable of meeting the requirements of the insuring public and embrace the entire family from the age of one year to 55, nearest birthday.

GRAND ORANGE LODGE

The Grand Orange Lodge of British America was first organized in 1832 and received its Dominion charter in 1890. Assets at the end of 1928 were $858,963, while liabilities amounted to $788,179, leaving a surplus of $70,784. The rate of interest earned in that year was 5.54 per cent.

Premiums received during 1928 and other dues amounted to $106,804, while expenses were $21,077 or 19.73 per cent of premium income. A total of $58,666 was paid to policyholders during the year and the excess of income over outgo for the period was $68,341. Total business at the end of the year was $3,802,850, consisting of 3,312 policies; the new business during the year amounted to $325,900 or 243 policies.

The Lodge issues two classes of policies: the first group includes whole life, two—pay life, endowment at 65 and 20-year endowment on which cash surrender, loan and paid-up insurance values are allowed; the second group consists of 20-pay life and 30-pay life on which paid-up insurance but no cash surrender or loan values are allowed. All policies have a paid-up insurance value and participate in the profits earned. Juvenile insurance is also issued on the 20-year endowment plan to dependent children of members.

INDEPENDENT ORDER OF FORESTERS

Established in 1881, the Independent Order of Foresters, with head office in Toronto, is regarded as the strongest fraternal society in Canada. As at December 31, 1928, the society had assets of $39,496,736 and liabilities of $38,322,700 with a surplus of $1,174,036 and special reserve of $1,000,000. Interest earned during 1928 was 5.15 per cent. The reserve basis is 4 per cent based on the society's experience and in 1928 the mortality was 85.3 per cent of the expected.

Total premiums in 1928 and taxes amounted to $3,614,779 while expenses were $826,691 or 22.87 per cent. of the revenue. Payment of $3,623,625 was made to insurers. In 1928 new business amounted to $22,523,031 written on 19,895 policies while total business amounted to $138,400,505 on 144,962 policies.

An orphans' home and sanatoria are maintained for children of deceased members and members and the organization thus takes a paternal interest in its members and their families.

In July, 1929, the order issued a new and simple form of protective certificate issuable in amounts from $200 to $5,000 and available to men and women; the new certificate carries with it double indemnity in case of death by accident and matures at age 65. It is expected that through its simplicity and the thorough protection it affords that the new certificates will make possible a further growth in membership in the order. No certificates in force prior to July 1, 1929, will be changed but the new certificate superseded all the other forms from that date.

THE MACCABEES

The Maccabees were incorporated in 1885 and first commenced business in Canada under provincial licenses but secured a Dominion license in 1920. The society was one of the first to issue certificates containing disability benefits and all certificates now issued allow for one-fifth of the face value for loss of hand, foot or eye without reducing the amount payable at death. The society maintains two relief funds used for the relief of members in distress and particularly for treatment of members afflicted with tuberculosis or cancer. Provision is also made for aged and indigent members.

Assets of the society in Canada as at Dec. 31, 1928, amounted to $1,236,398 and liabilities to $1,109,052. Total assets, however, were $40,719,923, and total liabilities $33,910,514 with a surplus of $6,809,409. The interest earned was 6.01 per cent. New premiums amounted to $367,695 in 1928 and renewals to $8,232,661 for a total premium income of $8,600,356. Expenses amounted to $2,197,272. Payments to assured amounted to $5,315,500. During 1928 new business was $15,471,470 on 18,713 policies and total business was $206,592,739 on 202,793 policies as at Dec. 31, 1928.

The society writes life, sickness, accident and juvenile insurance and issues policies from $1,000 to $25,000. The organization operates under the lodge system with some 4,205 lodges throughout Canada and the United States.

ROYAL ARCANUM

The Royal Arcanum was organized and incorporated in 1877 and commenced business under provincial licenses in all except the three prairie provinces. In 1920 the organization secured a Dominion license. The head office is maintained in Boston, Mass.

Assets in Canada as at Dec. 31, 1928, were $154,861 and total liabilities $633,195. The total Canadian income during that year was $151,838 and disbursements were $113,002 including mortuary fund and expenses. The society, however, has a wide scope in the United States and as at December 31, 1928, had total assets of $23,332,769 and total liabilities of $18,333,586 and a surplus of $2,770,503. The premium income for that year was $5,618,714 and the ratio of expense to premium income for the organization as a whole was 11.38 per cent. Interest of 4.62 per cent was earned.

Heads Life Club

T. H. DICKINSON,

Toronto, who has been elected president of the Quarter-Million Club of the Mutual Life Assurance Company. He was also president of the club in 1926 and has been a member since the club's inception in 1921.

In 1928 the new business throughout the organization amounted to 5,573 certificates for $6,672,740 and the total business at Dec. 31, 1928, was $154,373,667 written on 100,789 certificates.

SOCIETE DES ARTISANS

Incorporated in 1876 the Societé des Artisans Canadiens-Francais with head office in Montreal has assets of $9,943,034 and liabilities of $8,825,091 and a surplus of $1,117,943 and is therefore one of the larger Canadian fraternals. Its business is confined to French-Canadian and French-American Catholics and the society is licensed in Massachusetts and several other states.

The society accepts a maximum of $5,000 insurance on one life and also assures accident and sickness benefits and transacts a good business in child's insurance. During 1928, 3,490 ordinary policies were issued for $2,559,526 and 2,094 child's policies for $275,000. The total business as at Dec. 31, 1928, amounted to $45,203,272 on 60,275 ordinary policies and $1,924,742 on 12,330 child's policies. Premiums received in 1928 were $1,152,306 and expenses were $213,166, being 18.30 per cent. of premiums. $792,465 was paid to insurers and the excess of income over outgo was $731,741. Interest earned was 5.28 per cent.

Paid-up insurance and extended term insurance is allowed after five full years' premiums and also loans to an amount not exceeding the accumulated reserve. The society has paid a cash dividend equal to one monthly premium in 1915, 1916, 1917 and from 1924 to 1928.

TEMPLARS OF TEMPERANCE

The Royal Templars of Temperance was established in 1884 to provide insurance for total abstainers only. Head office is maintained in Hamilton, Ont. The assets of the organization as at Dec. 31, 1928, were $1,045,312 and liabilities $894,183 leaving a surplus of $151,129. The interest earned was at the rate of 6.18 per cent. Premiums during the year amounted to $72,382 with expenses of $33,740. Payments to insurers totalled $84,475.

New business during 1928 amounted to 346 certificates for $476,500 and total business at the end of the year was 2,864 certificates for $3,115,750. In 1920, 1921, 1924, 1925, 1926, 1927 and 1928 one monthly premium was refunded in each year, equivalent to a return of 8 1-3 per cent. of the premiums. Policies are issued from $500 to $3,000

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ASSETS $1,800,000.00

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Deposits (Oct., 1927)....£44,186,574
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Deputy-Governor:
Rt. Hon. the EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.
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6

Current Events in Banking World

BANK OFFICIAL TALKS ON TRADE OF CANADA-U.S.

New York Representative of Commerce Bank Gives Address

Canada is absorbing foreign capital to the extent of $11,000,000 monthly, according to Case R. Howard, manager of the foreign business department of the Canadian Bank of Commerce in New York City. Mr. Howard addressed the recent convention of the Pacific Foreign Trade Council, held in Seattle, Washington, speaking on Canada's foreign trade.

Commenting on the present status of Canadian American trade. Mr. Howard warned that the new tariff proposals before congress, not only had aroused protests in Canada, but had been seized upon for propaganda by European nations who were seeking to obtain a slice of the business with Canada which the United States now held. In this connection he pointed out that for the year ended June 30, Canada bought $269,550,700 more in goods from the United States than Canadians sold to Americans; and that the total of $749,941,194 in Canadian purchases from the United States were approximately four times those which Canada obtained from Great Britain and more than twice as much as she bought from all nations in the British Commonwealth.

British Capital Returning

"There is a marked tendency on the part of British capital to return and assume a more important place in furthering Canadian development," Mr. Howard stated, in calling attention to the fact that British investments in Canada during 1928 were more than double those of 1927, while the net new United States investments in Canada in the same period were one-third less than in the previous year.

"Two immediate reasons are back of the establishment of American manufacturing plants in Canada. First, because of the economic advantages represented to raw materials and shorter hauls in distribution. Second, the overcoming of sales resistance.

"Doubtless another important consideration in the settling up of these American factories in Canada, is that the Dominion, through preferential trade agreements within the British commonwealth and France, has many advantages to offer the exporter which the United States does not possess. A consideration of the future in connection with American manufacturing in Canada, is that prejudice resulting from tariff matters, tending to discourage sales of American goods, would be offset.

"The present trend appears in the direction of the further extension and amplification of the existing preferential trade agreements between Canada and the various units of the Empire and other countries.

U.S. to Meet Competition

"This would indicate that in the future, the United States manufacturer will meet with increasing competition in his foreign markets. This factor, coupled with a lower rate of income tax in Canada, are further inducements to United States manufacturers interested in retaining their export business, to consider establishment of branch factories in Canada.

"But the migration of industry to Canada is not confined to the U. S. European nations which lost their markets to the United States during the world war are making every effort to regain them, and competition for the rich consuming markets, such as Canada has proved herself to have, is becoming more ruthless.

"Foreign industrialists, let me point out, are aware of the shifting of world trade centres. A strong movement is already afoot in Great Britain to transplant some of the country's leading industries to Canada where nearness to raw materials and the markets of South America, the Orient, Australia and New Zealand, will place them in a better position to compete with the United States."

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Bank Statement for Month of July

	July, 1929 $	June, 1929 $	Change $	July, 1928 $	Change $
Immediately Available Liquid Resources					
Assets					
Specie	72,830,596	66,340,687+	6,489,909	68,445,470+	4,385,126
Dom. notes	123,265,796	133,202,028—	9,936,232	119,825,794+	3,440,002
Gold reserve	58,080,866	60,530,866—	2,450,000	71,080,866—	13,000,000
Foreign banks	136,482,876	71,376,908+	65,105,968	67,627,220+	68,855,656
Foreign curr.	19,029,115	18,168,117+	860,998	19,652,187—	623,072
Govt. sec.	311,122,517	351,861,484—	40,738,967	317,812,592—	6,690,075
Call loans ab'd	305,350,856	333,285,323—	27,934,467	275,949,509+	29,401,347
	1,026,162,622	1,034,765,413—	8,602,791	940,393,638+	85,768,984
Loans and Securities Other Than Those of Canadian Government					
Public secs.	101,984,463	116,113,326—	14,128,863	125,969,848—	23,985,385
Rly. secs.	56,445,262	57,254,060—	808,798	64,622,282—	8,177,020
Can. call loans	272,116,068	260,993,368+	11,122,700	262,519,724+	9,596,344
Current loans	1,326,851,830	1,319,840,440+	7,011,390	1,167,884,227+	158,967,603
Loans abroad	244,941,461	246,191,499—	1,250,038	253,180,877—	8,239,416
Prov. & mun. loans	104,896,348	113,546,297—	8,649,949	103,332,382+	1,563,966
	2,107,235,432	2,113,938,990—	6,703,558	1,977,509,340+	129,726,092
Other Assets					
Non-curr. loans	7,743,379	7,694,873+	48,506	7,582,784+	160,595
Real estate	5,343,972	5,587,593—	243,621	6,694,577—	1,350,605
Mortgages	7,373,152	7,326,962+	46,190	6,699,967+	673,185
Premises	76,519,879	76,334,319+	185,560	72,746,719+	3,773,160
Lets. of credit	94,140,435	94,992,234—	851,799	102,090,361—	7,949,926
Loans to comp.	9,764,002	9,886,449—	122,447	7,718,527+	2,045,475
Other assets	2,263,397	2,298,612—	35,215	2,557,337—	293,940
	203,148,216	204,121,042—	972,826	206,090,272—	2,942,056
Total	3,336,546,270	3,352,825,445—	16,279,175	3,123,993,250+	212,853,020
Note cir. dep.	6,354,265	6,220,016+	134,249	6,079,687+	274,578
Int. bank bal.	153,497,505	169,027,673—	15,530,168	166,753,051—	13,255,546
Gross	3,496,398,040	3,528,073,134—	31,675,094	3,296,825,988+	199,572,052
LIABILITIES TO THE PUBLIC					
Liabilities to Government and Circulation					
Circulation	170,113,031	186,870,718—	16,757,687	172,235,364—	2,122,333
Dom. Govt.	98,861,604	102,951,080—	4,089,476	27,158,231+	71,703,373
Prov. Govt.	24,550,705	28,286,220—	3,735,515	22,529,093+	2,021,612
Govt. advances	75,200,000	88,700,000—	13,500,000	64,130,000+	11,070,000
Deposits by Public					
Demand dep.	692,848,344	670,838,214+	22,010,130	674,513,773+	18,334,571
Savings dep.	1,453,212,528	1,466,105,095—	12,892,567	1,489,085,293—	35,872,765
Total	2,146,060,872	2,136,943,309+	9,117,563	2,163,599,066—	17,538,194
Foreign dep.	431,485,453	422,141,593+	9,343,860	356,959,255+	74,526,198
Due Banks Abroad, Etc.					
U. Kingdom	19,636,067	24,763,938—	5,127,871	10,263,579+	9,372,488
Foreign	87,339,399	101,296,315—	13,956,916	62,885,009+	24,454,390
Bills payable	10,398,368	10,114,548+	283,820	15,450,594—	5,052,226
Lets. of credit	94,140,435	94,992,234—	851,799	102,090,361—	7,949,926
Other liabs.	4,088,043	4,174,625—	86,582	2,231,382+	1,856,661
Public liabs.	3,161,873,977	3,201,234,582—	39,360,605	2,999,531,934+	162,342,043
Due bet. banks	12,443,940	11,963,012+	480,928	15,937,306—	3,493,366
Liability to Shareholders					
Dividends	1,330,636	720,931+	609,705	1,323,407+	7,229
Reserve	152,841,251	151,978,715+	862,536	133,566,700+	19,275,551
Capital	140,100,975	139,127,855+	973,120	122,764,660+	17,336,315
Gross	3,468,590,779	3,505,025,095—	36,434,316	3,373,124,007+	195,466,772

Bank Chat

The Dominion Bank is opening a branch at New Westminster, B.C., this month. It will be managed by D. McMILLAN, formerly manager of the Alberta Stockyards branch at Calgary.

I. A. McCARTHY has been made manager of the Niagara Falls branch of the Bank of Montreal, vice W. R. BELCHER, who has been transferred to the branch at St. Catharines.

F. C. COLEMAN, accountant of the Duncan, B.C., branch of the Bank of Commerce, has been appointed manager of the Collingwood East branch at Vancouver.

J. C. FOGGO, formerly accountant of one of the Dominion Bank's Calgary branches, has been appointed manager of the Stockyards branch in that city. C. O. BROWN succeeds him as accountant.

G. H. OWEN, manager of the Market Square branch at London of the Bank of Montreal, has been transferred to the superintendent's department at Toronto.

The BANK OF TORONTO has leased space in a new building being erected in the Village of Forest Hill, near Toronto. It is the intention to establish a branch there.

ARTHUR MOORE, of the Moose Jaw staff of the Bank of Montreal, has been transferred to Toronto.

L. L. SINCLAIR, of the Bank of Montreal's Market Street branch in London, Ont., has been appointed manager of that branch.

F. P. RAY, who has been manager of the Bank of Nova Scotia's branch at Doaktown, N.B., has been transferred to the branch at Chandler, Que.

W. S. BENSON, of Midland, Ont., has been appointed manager of the Bank of Commerce branch at Cornwall, Ont.

S. T. HALTON, formerly accountant of the Royal Bank at Cardston, Alta., has been made manager of the branch at Duchess.

B. S. DEACON, manager of the Summerside, P.E.I., branch of the Bank of Commerce, has been appointed manager of the Canadian National Silver Fox Breeders' Association.

P. O'CONNELL, of the McTaggart, Sask., branch of the Weyburn Security Bank, has been transferred to the branch at Buffalo Gap.

NORMAN FLAHIFF, of the foreign department of the head office of the Bank of Commerce, has been transferred to the office in New York City.

CHARLES McDONALD, of the New Glasgow, N.S., branch of the Royal Bank, has taken up new duties on the staff of the branch at North Sydney.

ELMER B. CLARK, ledgerkeeper in the Prince George, B.C., branch of the Bank of Montreal, has been transferred to Williams Lake.

WILLIAM DIBBLE, one of Prince George's bright high school graduates, has embarked on a banking career with the local branch of the Bank of Montreal.

Weekly Bank Clearings

Weekly Bank Clearings Eastern Cities	Sept. 20, 1928	Sept. 19, 1929
Halifax	$ 3,414,502	3,513,804
Saint John	2,656,375	2,731,465
Moncton	952,724	957,806
Sherbrooke	956,272	1,198,329
Quebec	8,059,661	7,168,147
Montreal	131,711,406	157,201,298
Ottawa	8,909,555	8,391,922
Kingston	....	1,082,881
Peterborough	1,004,657	1,065,972
Toronto	145,513,944	142,932,508
Hamilton	6,672,509	7,127,591
Brantford	1,356,324	1,439,517
Chatham	725,876	....
Kitchener	1,386,931	1,329,330
Windsor	5,694,298	5,205,602
Sarnia	711,876	1,034,618
Fort William	1,253,933	1,073,390
London	3,411,141	3,654,133
Western Cities	**Sept. 20, 1928**	**Sept. 19, 1929**
Winnipeg	$ 56,785,371	$ 73,048,382
Brandon	945,104	734,309
Regina	7,062,852	6,575,173
Moose Jaw	1,521,744	1,417,905
Saskatoon	2,954,501	3,047,979
Prince Albert	512,221	526,749
Calgary	11,763,765	14,515,713
Edmonton	7,181,099	6,878,784
Medicine Hat	574,874	645,687
New Westminster	837,063	1,038,769
Vancouver	19,354,822	23,238,964
Victoria	2,528,193	2,840,750

U.S. Bank Will be World's Largest

On completion of the proposed merger between the National City Bank and the Corn Exchange Bank Trust Company, both of New York City, it is believed that the United States will possess the largest, in point of total resources, financial institution in the world.

At present, the total resources of the Midland Bank, Ltd., of London, are the largest in the world, amounting at current exchange rates, to $2,303,013,576. The new United States organization would have total resources of $2,386,066,401.

The merger will give the National City Bank of 201 branches, of which 103 will be located in New York City. Sixty-eight of these comprise the chain operated by the Corn Exchange in the five boroughs. The identity of the Corn Exchange Bank Trust Company will be lost through the merger.

Bank of Montreal Opening New Branches

The Bank of Montreal has opened three new branches and a sub-agency, all of which being in Western Canada. The branch just opened at Edmonton will be designated the "103rd Avenue and 101st Street Branch," and will be under the management of R. N. Bell.

A branch is being opened in Winnipeg, at 194 Kelvin Street, and is designated Hart Avenue and Kelvin Street branch. E. R. Kelly is the manager. The third branch is located in Vancouver at 2785 Commercial Drive. It is to be known at the Commercial Drive and Twelfth Avenue branch. G. N. Douglas has been appointed manager. The new agency is a two-days-a-week service at Dewberry, Alta., which will be a sub-agency to Islay, Alta.

From Our Own Correspondent

VICTORIA.—Complete working plans and specifications for a $100,000 branch of the Bank of Montreal at Main and Hastings Streets, Vancouver, have been completed by architects Honeyman & Curtis and forwarded to the bank's head office for final approval. It is expected that tenders for the erection will be invited before the month's end, foundation work already being well advanced.

The new branch will be a dignified three-story structure of concrete and cut stone, designed in the usual manner of bank buildings with basement vaults, handsome ground floor banking quarters and additional offices on the second floor. Meanwhile the determination of the Bank of Montreal to keep pace with the city's growth is indicated by the fact that three other branches are already under construction — at Main Street and Broadway, Alma Road and Prior Street. These are to be ready for use by the end of October.

Hart, Smith and Company is New Investment House

From Our Own Correspondent

MONTREAL. — A new investment house by the name of Hart, Smith and Company, Limited, with office at 215 St. James Street, Montreal, has been opened this week.

The firm will consist of William Hart Smith, V. Barry Smith, formerly of Williams, Partridge and Rapley, Montreal; and Fahy M. Barker. In addition to handling investment securities, the new company will act as dealers in bank and insurance stocks and will maintain a direct private wire connection with Hart, Smith and Company, New York.

Honey Dew, Ltd., Report Record Sales in August

A substantial increase in monthly sales is reported by Honey Dew, Limited. Sales for August amounted to $184,567 as compared with sales of $140,715 during the same month in 1928. The month represents a new record for the company. No new stores were opened during the month.

Sales for the past six months as compared with the same months in 1928 are given as follows:

Month	1928	1929	Increase
March	$27,682	$ 88,350	$60,668
April	33,020	101,452	68,432
May	52,552	129,516	76,964
June	86,840	148,412	81,572
July	110,384	169,504	59,120
August	140,715	184,567	43,852

Automobile Industry

GENERAL MOTORS PAYS $13,000,000 FOR ELECTRIC CO.

North East Electric Acquired to Round Out Business

STOCK TRANSFERRED

Information on Canadian Aspect Not Yet Forthcoming —May Use St. Catharines Plant for N.E.

Continuing its policy of covering every phase of automotive manufacture as far as possible, General Motors Corporation has acquired the North East Electric Company and its subsidiaries at a cost of $13,000,000. This was announced following a meeting of North East shareholders at Rochester on September 19, at which the deal was ratified.

The merger will be effected through an exchange of stock, with four shares of General Motors preferred being given for five shares of North East Electric preferred, and two shares of G.M. common for three of North East common.

The purpose of the acquisition of North East Electric was to expand the manufacturing facilities of General Motors in the electrical field, and it is the plan of General Motors to continue operation of the plants and to manufacture therein automotive and electrical equipment.

How this will affect the situation in Canada cannot at present be disclosed. H. A. Brown, general manager of General Motors of Canada, stated over the telephone to "The Financial Post" that he was not yet in a position to say what would be done in Canada. He could not say whether the North East electrical units would be manufactured at the St. Catharines plant of General Motors, nor could he disclose how distribution and sales would be treated.

North East Electric Company, since it was founded in 1908, has developed rapidly until today it is one of the foremost manufacturers of automotive electrical equipment in the world. Numbered among its products are starters, generators, ignition units, horns, speedometers, cowl board attachments and novelties. These are made for use in motor trucks, passenger cars, motor boats and other automotive engines.

AUTO PRODUCTION DECLINE DRASTIC DURING AUGUST

Total Output For Month Half That of August, 1928

Several months ago "The Financial Post" pointed to the evident over-production of motor vehicles in Canada during the early months of this year, and definitely predicted a falling off in production. This prediction has been borne out by steadily decreasing automobile output figures since the month of May until, in the month of August the total output for the Dominion was 14,214 cars.

According to statistics issued by the Dominion Bureau of Statistics at Ottawa, this output is the lowest reported for any month of the year to date, being 18 per cent under the total of 17,461 cars in the previous month and less than one-half the output of 31,245 cars in August of last year.

This sharp decline in production is not confined to any particular type of model, with the exception of taxicabs and buses which increased slightly from 20 to 22 as compared with the previous month. Open cars dropped to 1,824 from 2,766; closed models to 7,435 from 9,270; chasses from 4,701 to 4,533; and trucks from 704 to 389.

Still Highest on Record

However, production for the eight-month period to the end of August still remains the highest on record with a total of 220,036 units. This exceeds by 21 per cent the total of 181,459 cars produced during the corresponding period of 1928, the previous high water mark. The output from Jan. 1 to Aug. 31, 1929, includes 134,271 closed passenger cars; 29,377 open models; 48,907 chasses; 7,366 trucks and 115 taxicabs and buses.

Of the August total, 7,530 cars were made for sale in Canada, and the balance of 6,684 were intended for export. A total of 2,411 cars were imported, making a total for domestic consumption of 9,941 cars. Imports to Canada during the first eight months of the year totalled 38,572 cars, while 74,898 cars were exported in the same period.

Sixteen-Cylinder Car Promised by Cadillac

If present plans materialize, Cadillac Motor Car Company will place in production within the next year the world's first sixteen-cylinder super-passenger car. This is revealed in a statement made by Lawrence P. Fisher, president of the company.

The car has already been designed and developed by the same engineers who are responsible for the Cadillac and La Salle eight-cylinder lines, Mr. Fisher stated, and if plans are carried through the car will be built for a limited market and will be in addition to the present Cadillac and La Salle lines.

A V-type power plant similar to the present Cadillac and La Salle engines will be used in proposed supercar. In developing this engine, Mr. Fisher stated, Cadillac engineers have been permitted to work beyond all previous standards.

The proposed car would be the first production vehicle of its type in the world. Only in the racing field have a greater number of cylinders been linked successfully, such as the Triplex 36-cylinder model with which Ray Keech set a world's record at Daytona Beach two years ago, and the 24-cylinder "Mystery S" of Major Segrave. In the passenger car field the nearest approach to the proposed new car in number of cylinders employed has been a twelve-cylinder model.

PIERCE-ARROW'S NEWEST MODELS ARE LUXURIOUS

Special Types, on 133-inch Chassis, Added to the Straight Eight Group

Pierce-Arrow is displaying the new DeLuxe Straight Eight Models which have just been announced by the factory. The new cars are being exhibited in most of the larger centres of the country.

The two new special models are the deluxe five-passenger sedan and the deluxe club sedan. Each is of the 133-inch wheelbase group.

With unusual colorings, and special exterior equipment, the new cars present the most striking appearance of any of the straight eight group. Wire wheels lend swank to the design. The two spares are carried in the fenders. Wood wheels are offered also at a slightly lower cost. A special design of hood with door-type ventilators adds a distinctive note. At the rear a trunk, containing three suitcases, provides ample luggage space. Trunk and spare tires are lacquered to match the body color. Tire rims are chrome-plated.

Fender lamps of Pierce-Arrow are standard, although the conventional bracket type of lamp is optional. Grouped with the fender lamps are two auxiliary parking lamps.

In the design of the interiors, the cushioning resembles that of a Cogswell chair. Finest of broadcloth, with special beading, is used. Thick carpets of velvet, padded with ozite and lined with waterproof duck, provide a rich floor covering. Instead of ordinary foot-rail there are individual hassocks.

When only one or two persons are seated in the rear, a disappearing centre arm-rest is unfolded from the back, which ordinarily seats three.

An instrument panel of special custom design carries the usual dials, besides a clock, a gasoline gauge and engine-temperature indicator. Lighters are provided in front and rear.

The new cars are powered by Pierce-Arrow's new eight-cylinder engine, which develops 125 horsepower and has fast acceleration.

Erect Night Flying Beacons on Transprairie Airways

From Our Own Correspondent

MONTREAL.—Contracts for lighting the western Ontario airways and transprairie air mail route for night flying have been let, and the erection of beacons is proceeding. Five electric revolving airway beacons will be installed between Windsor and Hamilton, while eleven acetylene gas beacons will be placed between the same points.

On the prairies, 14 electric airway beacons, mounted on 50 towers, and 47 acetylene gas airway beacons will be installed on the airway between Winnipeg and Calgary via Regina, Moose Jaw and Medicine Hat.

ADDITION IS MADE TO TRUCKS BY DODGE

Chrysler Puts 4-Cylinder Unit in Three-quarter-ton Line

Addition to a new three-quarter ton, four-cylinder truck to the wide truck line of Dodge Brothers (Canada) Ltd. division of the Chrysler Corporation of Canada, Ltd., is announced. The new truck has a wheelbase of 124 inches and four-wheel internal - expanding hydraulic brakes, and will sell at a new chassis price of $845 at the factory in Windsor, or $130 below the price of its predecessor.

With the announcement of this truck model, several improvements have been made in the three-quarter ton, six-cylinder truck, including longer wheelbases, have also been announced with no change in the factory price of $975. The complete Dodge Brothers line now includes three capacities of four-cylinder trucks, half-ton, three-quarter ton and ton, in addition to the heavy duty three-ton types.

The new three-quarter ton, four-cylinder truck is available in six body styles, the panel, canopy, screen, express, stake and platform, with body and chassis each designed with a proper relation to the other. It is powered with a motor having a bore of 3⅝ inches and a stroke of 4½ inches, developing 45 brake horsepower, and has a piston displacement of 175.4 cubic inches.

Hudson-Essex Makes Export Finance Plans

Announcement is made by the Hudson Motor Car company of the completion of arrangements with the Commercial Investment Trust for the financing of sales of Hudson and Essex cars and Dover commercial cars in the chief export markets of the world. The volume expected annually by the C.I.T. under the contract is $20,000,000. The arrangement is known as the H.M.C. Export Finance Plan, and follows in general the style of the company's arrangements for financing sales to domestic distributors and dealers. Rates have been established on very favorable bases, Hudson officials declare.

Under the terms of the agreement, Commercial Investment Trust will handle Hudson-Essex and Dover business through its offices in the following cities: Brussels, Belgium; Berlin, Germany; London, England; Copenhagen, Denmark; Calcutta, India; Sydney, Adelaide, Perth, Brisbane and Melbourne, Australia; Christchurch, New Zealand; Buenos Aires, Argentina; Sao Paulo, Brazil; Santiago, Chile; Christobal, Canal Zone; Mexico City, Mexico; San Juan, Porto Rico; Havana, Cuba; and Johannesburg, South Africa.

Additional offices will be opened by C.I.T. as overseas business warrants.

Relieve Winnipeg Unemployment

In Winnipeg, a $725,000 construction programme of public works is to be carried out during the coming winter, as a means of relieving unemployment. At the same time action is being taken to have the Dominion Government and cities and towns in the province follow a similar course with respect to any undertakings they might have in view.

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MARITIME TRUST CO. OPENS OFFICE IN N.B.

Group Headed by Angus McLean, of Bathurst, Commence Business

The Maritime Trust Company, which has been some months in the making, now announces the opening of an office in Saint John, N.B.

The president of the company is Angus McLean, the well-known manufacturer of Bathurst, N.B. The vice-presidents are Cyril W. Stairs of Halifax, for Nova Scotia, Howard P. Robinson of Saint John, for New Brunswick, and George D. DeBlois of Charlottetown, for Prince Edward Island. The subscribed capital is $250,000.

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CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

President of Noranda Refutes Wild Rumors

International Nickel's Smelter To Be Greatly Enlarged

International Nickel To Increase Further Its Smelter Capacity

Additional Equipment to Increase Capacity to 12,000 Tons

DENIED IN TORONTO

Future Outlook Leads to Heavy Buying and Causes Rising Prices on Market

A further addition to its present programme of smelter expansion is contemplated by the International Nickel Co., according to information secured by "The Financial Post" from several well informed sources.

The additions, it is stated, will permit the Copper Cliff smelter, treating from 12,000 to 13,000 tons of ore a day. At the present time the smelter is treating about 5,000 tons of ore, and the original expansion programme called for additions to raise this figure from 9,000 to 10,000 tons of ore daily.

It is stated that the directors following their recent visit to the property decided a still further enlargement was warranted, and that it could be best made at the present time and tied in with installation of the other units.

It is said that the contractors who have the Copper Cliff job in hand have been advised the change from the original programme will provide them with at least three years more work.

The marked increase in the world demand for nickel and copper, and the excellent prospect of a further expansion in the uses of the two metals is said to have actuated the directors to order the further additions.

Local Officials Ignorant

Local officials of the company, however, profess ignorance of the reported addition, and state that, so far as they know, no change has been made in the original expansion plans which would increase the smelter capacity by some 4,000 to 5,000 tons.

According to the Toronto office the only addition, other than generally planned, is being made at the Port Colborne nickel refinery, where an extension is being made to the No. 1 Cupola, which produces nickel and copper sulphides. This will permit handling more matte. At the present time it has been found that the production of matte from the Copper Cliff smelter has been greater than could be handled at the refinery. The Cupola was the neck of the bottle, and it is now being enlarged to increase its capacity by some 25 per cent.

Is Popular Trader

Excellent progress is being made in the big construction programme, and the contractors are well ahead of schedule. Originally it had been planned to complete the smelter by 1931, but at present it is believed it will be ready by the latter part of next July or early in August.

The work of preparing the Frood Mine for production is going ahead rapidly, the total amount of underground work being accomplished being in excess of a mile a month. The power plant at Spanish River has been placed in operation as well as the surface plant, hoist and compressors at the Frood.

International Nickel has again come back as a market favorite and heavy trading in the stock has developed on the Montreal and Toronto Exchanges as well as in New York. During the past week the stock advanced to a high of 60⅞ and the general belief is that an increasing demand for the stock will send it over its high for the year of $73.

Is Stock Too High?

The progress made by International Nickel in the past two years has been truly phenomenal. Earnings available for the common stock in 1928 amounted to some $11,842,000 as compared with $5,529,000 in 1927, while earnings available for the common in the first six months of 1929 amounted to $11,238,000. The increase in earnings has been accompanied by generous increases in dividends, the last increase made

(Continued on page 19)

Lake Shore Mines Increases Dividend

Shareholders of Lake Shore Mines will receive a dividend of thirty cents quarterly as of Dec. 15 next. Placing of the stock on a yearly dividend basis of $1.20. In 1928 a quarterly dividend of 20 cents a share was paid, plus a bonus of 20 cents, or $1 for the year.

In view of Lake Shore's steadily increasing earnings it is believed the directors may see fit to pay further bonuses during the present year.

Announcement of the increase was made at the recent annual meeting at Kirkland Lake.

BATHURST MINES WILL SINK SHAFT TO 400-FT. DEPTH

Company Financed For Further Exploration Program, President Says

Bathurst Mines has no intention of ceasing operations, but on the contrary, contemplates sinking its shaft to the 400-ft. horizon immediately, according to President T. W. Bathurst.

Mr. Bathurst in categorically denying the rumor that shutting down of the property was in prospect has outlined the company's plans for the future.

The company, he states, is financed to carry on between five and six months development along a definite programme which calls for the extension of the shaft from its present depth of 200 feet and for further exploratory work at the lower level. Work on the upper horizons will be abandoned for the present, to permit of sinking the shaft as rapidly as possible.

Ore Carries Down

Diamond drilling has proved the ore to extend to the new objective, and a drive will be put in to intercept the downward continuation of the No. 1 vein. This has been opened up for a distance of 170 feet on the 1st level where it shows a fair width.

Although the drive put in on the 200-ft. level to pick up the "Golden Sidewalk" vein failed to reach its objective, Mr. Bathurst states its presence on this horizon has been neither proved nor disproved. Further work will be necessary to ascertain this.

In keeping with its intention of expediting shaft-sinking, work has been suspended for the time being, on the Price-Logan group by Bathurst, where a test-pit which was sunk to a depth of 30 feet is reported to have disclosed $10 ore over a width of 4 feet.

Milling Results

A small Tremaine mill which has been treating high-grade from a small, narrow vein on the opposite side of the shaft from the No. 1 vein on the first level has been in operation for the past two months, and in that time is reported to have met the payroll costs of the 28 men employed, amounting to some $3,000 a month. The shaft-sinking job will necessitate the temporary suspension of its operation.

Bathurst Mines has a capitalization of 4,000,000 shares of no par value, of which 850,000 shares still remain in the treasury.

Report N.A.M.E. Makes Find at Oxford Lake

N.A.M.E. is reported to have a big strike in the vicinity of Oxford Lake, according to a report brought back to Winnipeg by Dan MacDonald a prospector who has just returned from that district.

The report is of considerable interest in view of the fact that several other companies have holdings in the district.

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MINDOKA STOCK IS STRONG FAVORITE ON CURB EXCHANGE

Test Shipment to Noranda Grades 7 Per Cent Copper

Favorable reports on results being secured by Mindoka Mines operating in the Boston Creek area, attracted considerable trading to this stock, which is listed on the Standard Curb, and carried it to a new high of 47 cents a share this week.

The stock first appeared on the market late in August at 25 cents a share.

The property is situated five miles southeast of Boston Creek station, and three-quarters of a mile from Mindoka Station on the T. & N. O. Railway.

Two vein systems have been found on the property, about three-quarters of a mile apart. The west vein system is believed to be the continuation of the Amity-Patterson Copper break. A shaft has been sunk to a depth of 100 feet on it, and 55 feet of crosscutting and 1,100 feet of diamond drilling done. This disclosed narrow widths of high grade chalcopyrite.

Has Possibilities

The east vein is believed to possess larger possibilities however, and development is at present being centred on it. A shaft has been sunk to a depth of 125 feet, a station cut, and crosscutting to the vein started. It is expected ore will be struck within a week.

The shaft was sunk on the vein which dipped out of the east wall of the shaft at a depth of 35 feet. At a depth of 45 feet an entirely new lense was encountered, and it dipped out in the same manner at 65 feet. The next round taken out of the shaft brought in another lense and this dipped out at 85 feet. The presence of three separate lenses is taken as a promising indication.

Smelter Results Good

A test shipment of ore forwarded to the Noranda smelter was found to grade 7.9 per cent copper of a value of around $30 to the ton. According to the smelter returns the gold content was 80 cents to the ton, and the silver 54 ozs.

The shipment was made from ore taken from the shaft and test pits. It is stated further shipments can be made at the rate of a car a week. At the present time plans are being made for the installing of a 50-ton concentrator.

A complete mining plant has been installed that will permit of shaft sinking to a depth of 500 feet, and a motor road has been built by the government to the property from Mindoka Station.

The mine has been favorably reported on by a number of mining engineers, and a number of prominent mining men are backing the venture.

The company has a capitalization of 3,000,000 shares of $1 par value, of which 1,500,000 shares were issued for the property. About 300,000 shares have been issued to the public and the funds secured devoted to development.

Old Sudbury Property Acquired by C. T. Young

The Cressy and Holditch properties lying between the International Nickel Co.'s Copper Cliff smelter and the site of the Ontario Refining Co. property have been optioned by Cyril T. Young, of the Canadian National Railways Natural Resources Department, and associates.

The optional property consists of about 200 acres and covers the projected strike of the Copper Cliff offset between known ore depositions for a distance of three quarters of a mile. Already a magnetometer survey has been made of the property, and at three places where dip needle indications suggested suitable formation, some stripping and trenching has been done, with results indicating the presence of copper and nickel mineralization. As in the case of Mr. Young's other mining ventures, the development programme is being privately financed and there will be no appeal to the public for funds. Frank Dennie is in charge of the operations.

Consolidated Goldfields Will Lease Berengaria

From Our Own Correspondent

VICTORIA—Shareholders of Berengaria Mines, Limited, meeting at Kaslo, ratified a deal made by the directors with the Consolidated Goldfields, a large mining corporation of the Southwestern States, for a lease and bond on the Berengaria property at Deanshaven, calling for an ultimate payment of $75,000 if the option of purchase is taken up. The lease and bond is for three years, payments to be made in one, two and three years' time, 15 per cent royalty on ore shipped to apply toward the purchase price. Consolidated Goldfields binds itself to do not less than $500 worth of development work in each and every month of the life of the agreement. This is the corporation that operates the well-known Monarch Mine at Field.

Directors of Berengaria Mines just elected are R. T. Deane, Deanshaven; C. F. Sherwin, Riondel, and H. Giegerich and W. E. Zwicky, Kaslo, G. Markham Brown, of Deanshaven is secretary and treasurer.

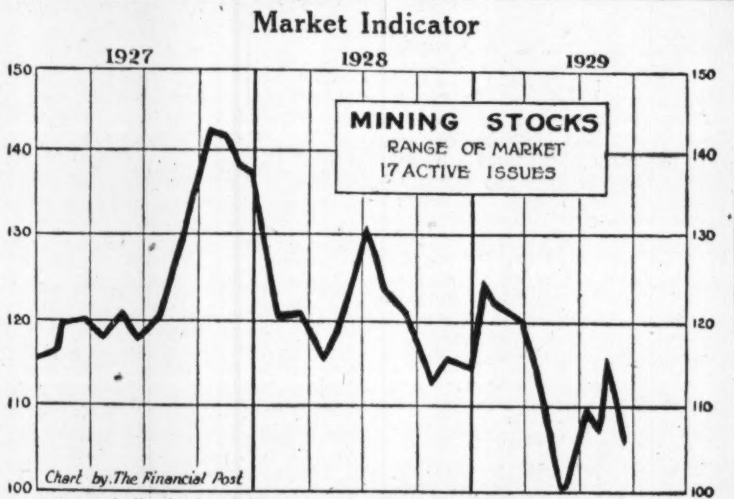
Coast Smelter Assured If Power Rights Granted

Consolidated Smelters is prepared to erect a smelter on the Pacific coast provived it receives power rights on the Lois River. It is stated that F. G. T. Lucas, K.C., counsel for the company has made application to Major J. C. MacDonald for the right to develop the necessary power on the Lois near Powell River.

The application has been opposed by the Powell River Co., which seeks the same power. Further hearing of the applications will be heard on October 18.

Shipments of Frood Ore Are Steadily Increasing

Development ore from the Frood Mine shipped to Copper Cliff smelter is reported to have averaged 700 tons a day during the month of August. Most of this ore is said to have come from the 2,800-foot level and 5,880,000 pounds of copper and 1,050,000 pounds of nickel to have been recovered. Increasing shipments are anticipated as the grooming of the Frood for production continues.



The steady decline in the mining market since the beginning of the year is clearly shown by the above chart specially prepared by "The Financial Post." It illustrates the market action of 17 active mining stocks over a range of the past three years. It is compiled from data on the weighted index of 17 active mining stocks as computed by the Dominion Bureau of Statistics, on the base 1926 equals 100.

Fertilizer Plant May Yet be Chief Source of Smelter's Revenue

FROM STAFF EDITOR

TRAIL. — Smelters' new fertilizer plant is not yet under construction but the site is cleared and plans are being rushed ahead. The construction of the fertilizer plant will involve an expenditure of about $8,000,000 and the new unit will be one of the great fertilizer plants of the world. The company has all the necessary raw materials, having recently located large quantities of the one constituent that was missing for some time, phosphate rock.

Smelters' officials seem to be very optimistic about the fertilizer manufacture programme of the company. It has been established that the company will be able to manufacture fertilizer of various varieties at costs so low that shipment can be made to Europe to undersell fertilizers now largely sold there. Through the company's connection with Canadian Pacific Railway it is hoped that an educated campaign can be successf[illegible] undertaken among Canadian farmers to induce them to use fertilizers on a large scale. Fertilizer has not been sold in Western Canada in the past but in the opinion of agricultural experts the time has come when much of the western soil requires the application of fertilizer to restore its productive qualities.

The rather amazing forecast is made by people in close touch with Smelters' activities that within ten years this great corporation will be making more money out of fertilizer than out of the famous Sullivan mine, the wonder mine of the West. When one considers that the Sullivan mine at Kimberely and the smelting and refining works at Trail, that subsist largely on Sullivan ores are the backbone of the enormous revenues of Consolidated Mining and Smelting Company one can appreciate the full significance of this statement.

Enlargements at the Kimberley concentrator are under way. At present about 5,300 tons of ore is being handled daily but this is being brought up to 6,000 tons daily.

Extensive enlargements of the Trail reduction works are also being undertaken not only to increase capacity but to improve methods and reduce costs. The company has proven remarkably successful in extracting the last ounce of valuable content from its ores and its success in extracting cadmium from Sullivan ores is typical of what has been accomplished in this direction.

Ontario Gold Production Shows Gain of $778,000

From Our Own Correspondent

KIRKLAND LAKE—The remarkable progress which Kirkland Lake Mines are making in reaching toward the mark set by the Porcupine Mines for gold production, is illustrated by the returns received by the Ontario Department of Mines from the gold mines of the province.

Cumulative monthly reports show that Porcupine's production for the first eight months of the year as compared with the similar period in 1928, has dropped from $13,201,657 to $12,657,519, whereas the value of Kirkland Lake's production has increased from $8,044,164 to $9,352,089.

Gold production from the gold mines of the province for August shows an increase in output as compared with the previous month, while the cumulative total for the first eight months of the year was $778,543 in advance of the total for the corresponding period in 1928.

During August producing mines in order of output were as follows:

Porcupine: Hollinger, McIntyre, Dome, Vipond, Coniaurum, March, West Dome, and Porcupine United.

Kirkland Lake: Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite, Kirkland Lake Gold, and Barry-Hollinger.

Comparative monthly returns follow:

MONTHLY OUTPUT OF ONTARIO GOLD MINES
(Gold and Silver Values)

Source and Period	1928 Tons	1928 Total value Crude bullion $	1929 Tons	1929 Total value Crude bullion $
Porcupine				
Calendar year	3,185,605	20,417,714	......	......
Average per month	265,467	1,701,476	......	......
January	294,343	1,956,969	247,765	1,604,861
February	213,343	1,439,161	222,465	1,463,684
March	269,050	1,690,320	247,169	1,587,601
April	256,531	1,628,305	241,656	1,498,671
May	262,646	1,701,794	245,349	1,687,477
June	252,004	1,471,019	232,231	1,529,598
July	264,134	1,576,745	258,011	1,549,104
August	279,504	1,737,344	252,509	1,736,528
Kirkland Lake:				
Calendar year	1,038,550	12,271,110	......	......
Average per month	86,546	1,022,592	......	......
January	80,264	1,005,886	89,227	1,058,413
February	84,906	964,830	89,416	1,151,710
March	90,624	1,084,949	96,608	1,196,959
April	78,640	884,289	91,554	1,200,166
May	86,099	997,145	91,046	1,157,028
June	86,301	1,153,313	86,497	1,358,690
July	90,208	969,998	89,103	1,165,124
August	86,788	983,754	89,817	1,063,999
N. W. Ontario:				
January to August, inclusive	......	......	......	14,756

August receipts of crude bullion from Ontario at the Royal Mint, Ottawa, totalled 13,919.03 crude ounces, containing 10,243.53 fine ounces of gold and 1,397.93 fine ounces of silver having a total value of $212,480.41.

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HEAVY PRESSURE IS AGAIN EXERTED ON TECK-HUGHES

Conditions on 2,500 Level Are Purely Local, is Statement

The conditions being encountered by Teck-Hughes on the 2,500-foot level are purely of a local nature and have little or no bearing on the operation as a whole, "The Financial Post" learns from a well-informed source.

According to our informant drifting being carried out on the footwall of the 80-foot ore zone has been in commercial ore all the way, while low grade material has been met with in drifting on the hanging wall, and this has been put on the dump. The big ore zone on this level is well mineralized but there are several lean sections, and the ore has been found to occur in lenses rather than in the regular vein formation. This condition is nothing new to the Kirkland Lake camp as a whole, nor to the Teck-Hughes in particular. Lean sections have been encountered on other horizons, between sections of high grade ore.

There is no exploration work going on at present on any level between the 1,900 and 2,500, and good grade ore is being secured on this upper level. Just what will be found in this big vertical block will not be known until further work is done on the levels between the 1,900 and 2,500.

Cleaning-Up Operation

In stating the conditions on the 2,500-ft. level are purely of a local character, it is pointed out that big bodies of ore of commercial grade have already been proven up on levels extending from the 1,900 to surface, and that much of the ore now being put through the mill is coming from the 700 and 800-ft. levels. Teck-Hughes has been engaged in cleaning up these upper levels for some time, and is drawing all ore out that can be mined and milled at a profit. This has resulted in the grade falling off to some extent, but it is believed the management has given the situation careful consideration, and come to the conclusion that this policy will prove the most advantageous in the long run.

The mill is reported to be maintaining its usual daily tonnage of around 900 tons, and at this rate it has been sufficiently estimated the mines possess some ten to 12 years ore reserves.

Report High Values

Recent reports from Kirkland Lake are to the effect that crosscuts have been extended to cut the vein on the 23rd and 24th levels. It is reported high assay values were secured on this latter level.

Notwithstanding the fact that official statements have been issued to the effect that there was nothing in the present conditions to warrant the severe market recession in Teck-Hughes, there was considerable weakness in the stock this week. The ground gained last week was lost and the stock sold down to as low as $5.45.

Those who are in a position to know reaffirm their confidence in the property.

St. Anthony Reports Encouraging Results

The following progress report has been issued by the St. Anthony Gold Mines, Limited:

"Since issuing the Progress Report of August 1st, the development work at the property is continuing to produce good results. Drifting on No. 1 vein north (off No. 1 crosscut) the drift has been advanced 36 feet, the ore has given an average assay of $8.50 in gold across 4 feet the entire distance. No. 2 vein north has been advanced 15 feet and the ore gave an average assay of $15 in gold across 4 feet the entire distance. It is interesting to note that in No. 2 vein north quartz porphyry was encountered and we will soon be able to tell better just what bearing the quartz porphyry has on making ore. Crosscut No. 1 was started on the morning of the 10th of September and we hope to cut the downward extension of the vein showing in the manway on the surface in a few weeks' time. Some 40 men were employed at the property during the month of August and all exploration work was carried on on the 150-foot level."

"The mill test in which 687 tons of ore were milled gave an average assay of mill heads of $11.70 and produced one bar of gold bullion containing approximately 143 troy ounces with a value of about $3,000 and 6½ tons of concentrates assaying $68 per ton in gold. It is apparent to the management that arrangements will now have to be entered into for the installation of a cyanide unit as the recovery of the gold value in the mill test was low and with the cyanide process from 90 to 97% extraction can be hoped for."

Sudbury Offsets Cuts Ore In Exploratory Drill Hole

Drilling of Hole No. 16 on the Sudbury Offsets property to secure information as to the width of the Norite belt is reported to have indicated a width of over 200 feet. The hole which was put down in low ground unexpectantly struck a four foot width of good copper ore.

C. T. Young, president of the company, states the drilling not only definitely proved the width of the norite but also the presence of a fracture zone of importance. This opened up to such an extent that a part of the drilling equipment was lost. In his opinion the condition is evidence of a great line of weakness along the Foy Offset along which solutions most likely have travelled.

Drilling of Hole No. 17 is now under way and it is expected to cut the ore body at a depth of 500 feet shortly.

John A. Reid, consulting engineer, has reported the property justifies extensive exploration.

Manitoba Basin Sells To New Low For Year

Manitoba Basin shares which sold at 76 cents a share this year, slumped to a low of 17 cents this week. Dissatisfaction by a large shareholder at the progress made by the company and a consequent liquidation of his holdings is reported to be responsible for the bad break.

A report from Winnipeg is to the effect that the company has suspended drilling on its Herb Lake property.

Noranda President Outlines at Length Company's Position

Refutes Wild Rumors—Directors Pleased With Development

RESERVES INCREASE

Refinery Plans Will Not Affect Prospects of the Dividend Payment

In a clear and concise statement covering the many phases of Noranda Mines' operations, President James Y. Murdoch, in an interview granted the press this week, set at rest the several rumors that have been current. He at the same time summed up conditions at the property at the present time, and outlined the future programme.

Noranda has been subjected to considerable pressure of late and the stock has dipped back into the "50's." Part of the slump has been credited to switching by several big operators from Noranda to Nickel, and there is no doubt but that disquieting rumors may have caused some shareholders to take their profits. To those who have stuck to the ship, President Murdoch's statement should prove most reassuring.

In referring to the disquieting rumors that have of late been placed in circulation regarding Noranda, Mr. Murdoch stated there was no reason why shareholders should pay attention to them.

Telephone connection could be secured with the Toronto office of the company, and bona fide shareholders should consider themselves free to ask officials as to the truth of any rumors that might cause them any apprehension.

If at any time unfavorable developments should occur, the company was fully prepared to advise shareholders as promptly of the facts as it in the past had given out good news.

Directors Well Pleased

Asked specifically about whether a stock split in Noranda was contemplated, Mr. Murdoch stated the matter had never even been considered.

Dealing with rumors about iron pyrites, Mr. Murdoch described it as ridiculous to say that such had just been encountered at depth, and stated iron pyrites have been encountered ever since the Horne mine was discovered, and he has not heard of any copper mine that does not have iron pyrites.

"As intimated at the annual meeting work in the mine of late has been confined largely to proving up the then-known orebodies and preparing the mine for the anticipated increased production," stated Mr. Murdoch. "This work has resulted in a considerable increase in tonnage of indicated ore, and while it is too early yet to make an estimate of tonnage, considering the irregular shapes of the orebodies and the incompleteness of the investigation programme, yet we are certain of a very material increase in indicated tonnage. For instance, diamond drilling on the seventh level of "H" orebody has indicated a much larger tonnage of ore at the west end of this body than we had previously counted on.

"As a summary I would say that our forecast made by me at the annual meeting as to increase in tonnage has been more than fulfilled and the directors and the management are very well pleased with mine development.

Double Concentrator Capacity

"We have been disappointed somewhat in steel delivery, but deliveries are coming forward now, and I expect that the second smelter unit will be brought in about the middle of November. At present the smelter is handling about 1,200 tons of ore per day, running over $5.00 per ton in gold, and over 7½ per cent copper, which is an improvement on August when the average for the month was 7.29 copper and $4.76 in gold."

Mr. Murdoch further confirmed officially that the concentrator will be speeded up to 1,000 tons capacity. "Extensive tests have been carried on in the concentrator," he pointed out, "and results are now approximately what we had hoped for. In order to be able to handle both classes of ore, that is direct smelting ore and milling ore when encountered, it has been decided to increase the capacity of the concentrator to 1,000 tons, which is double

(Continued on page 19)

Amulet Reports Drilling Results

The following bulletin detailing the latest results secured in diamond drilling of the "F" orebody has been issued by Amulet Mines:

"Hole No. 231 intersected high grade rich zinc-copper ore from 200 feet to 237 feet, and from 252 feet to 262 feet good copper ore.

Hole No. 230 cut 9 feet of good grade copper ore from 669 feet to 678 feet under the diabase sill."

CENTRAL PATRICIA WILL SINK SHAFT DOWN TO 500 FEET

Surface Exploration and Drilling Indicate Possibilities

Results from surface exploration and diamond drilling having shown the Central Patricia Mines, in the Crow River district to possess possibilities of developing into an important gold producer, arrangements are now being contemplated to begin a big campaign of underground development.

W. E. Segsworth has been appointed general manager of the company, and the probabilities are that A. J. Keast, former mine manager of the Abana Mine, will be apponted resident mine manager.

The present intention is to sink a shaft to a depth of 500 feet and carry out some three to four thousand feet of lateral work to prove up the orebodies indicated by diamond drilling.

To Take In Plant

It will probably not be until some time in January that the steam boilers and shaft-sinking equipment can be delivered at the property. The freighting must be done over winter roads, and it is thought it will not be until about that time that the lakes will have frozen up sufficiently and enough snow fallen to permit the operating of tractors.

The companies engineers are leaving for the property shortly and will determine the best location for the shaft site. Sinking by handsteel will be started immediately and it is hoped to have the shaft down to a depth of about 50 feet by the time the power plant arrives.

The Central Patricia property was staked by the Mosher Brothers in the fall of 1928 and was considered the find of the year. When news of the surface showings came to the ears of other prospectors a big rush started and resulted in the striking of the Crow River solid for a distance of 15 miles along the probable strike.

Development of the Mosher group was undertaken by the Connell interests and assaying of the surface outcrops was reported to have shown values of $12.57 gold per ton across an average width of 17.45 feet for a length of 557 feet.

Diamond drilling was started last winter and continued to the middle of the summer, when, from the information obtained, it was decided that there was sufficient evidence to warrant an extensive program of underground exploration.

In the drilling carried out, some 28 holes were put down at 100-ft. intervals along a 500-ft. section of the vein system, and while some showed no values, the general average was quite promising. The last hole drilled proved the richest of the series, values of $10.16 being found in a 22-ft. section of core. This, with results from four previous holes indicated average assay values of $13 in gold per ton across an average width of 11½ feet.

Public trading in the unlisted section of the market began in July, the stock offering at around 30 cents a share. It is now selling at about 34 cents. The high for the year was 48 cents and the low 21 cents.

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The steady progress of development work has added several new mines to the list of producers during the last few months, with the result that a new high record for output is expected this year.
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PREMIER HAS LONG BEEN BIG FACTOR IN PORTLAND HOTEL

Great Mine More Than Proved British Columbia Camp

MAKING PROGRESS

In 1928, Property Produced 11 Per Cent of Gold and 12 Per Cent of Silver Recovered in Canada

From Our Own Correspondent

VICTORIA.—In addition to the opening of new orebodies on its own property, the Premier Gold Mining Company is reported to be making very satisfactory progress on the three properties it controls on the Marmot River section, namely Prosperity, Silverado, and Porter-Idaho. High-grade ore from Prosperity is already at the wharf, and large and steady shipments are expected to commence this month. A five-mile tramway connects these properties with the wharf.

The Premier is said to have never looked better at any time in its history and a well-founded rumor is that as the expenditures have been made and the dividend raised, it will probably be on a 40 per cent. basis instead of 30.

Only after a visit to the Portland Canal area can a true realization be gained of just what the Premier means and has meant to that district. Apart entirely from the fact that it is among the greatest mineral producers the world has known and employs a number of men year in and year out, the knowledge that the Portland Canal zone has produced one mine of this calibre gives encouragement to prospectors and mining men who have interests in the district.

Proves Canal Area

While development work on some of the properties which showed promising surface indications has proved disappointing, the mining man that is inclined to become pessimistic regarding the district immediately brightens up when reference is made to the Premier and promptly maintains that it is hardly feasible to believe that in a mineralized zone of the extent of the Portland Canal section all the big bodies of ore could be confined to the one property.

During 1928 the Premier produced 11.33 per cent. of the gold and 12.47 per cent. of the silver mined in the Dominion. These figures are arrived at through a comparison of the year's production figures of the Premier and the total mineral output for Canada as given in Dominion statistics. The 134,000 ounces of gold and the 2,600,000 ounces of silver which Premier produced in 1928 represented 68 per cent. of the gold and 66 per cent. of the silver recovered in British Columbia. Production is proceeding steadily at approximately 800 tons per day, of which one-half is treated at the company's own mill and one-half shipped direct to smelters.

Ore reserves at the end of 1928 were estmated at 456,203 tons, with an estimated gross value of $6,450,710. The orebodies which have been opened by underground development have added to the reserve, but to exactly what extent cannot be determined until considerably more exploration work is carried out.

B. C. TIN FINDS MAY PROVE COMMERCIAL

Much Further Work Necessary to Prove Extent of Deposits

Discovery of cassiterite (tin dioxide), on the property of the Regal Silver Mines, adjoining the Snowflake Mine, 20 miles east of Revelstoke, B.C., has again drawn attention to the possibility of British Columbia adding tin to its list of commercial minerals.

Considerable publicity has already been given to the discovery of stannite (copper-tin-sulphide) on the Snowflake Mine, where the occurrence was said to have been virtually proven to a depth of 600 feet from the surface outcrop.

The Regal discovery was made at a vertical depth of 1,000 feet below the lowest tunnel on the Snowflake, confirming the deductions of Dr. Victor Dolmage of the Canada Geological Survey, who after examination of the Snowflake occurrence pointed to the possibility of cassiterite being found as development proceeded.

High Assay Secured

An analysis of the Regal are made by J. R. Williams, assayer, of Vancouver, showed 6 per cent tin with no copper, in the ore from the West drift, and 6.24 per cent tin with a trace of copper in that from the East drift.

In commenting on the find the "Mining and Industrial Record" of Vancouver states that with the possible exception of the recent Manitoba discovery, the Snowflake Regal finds give the first promise of commercial tin in Canada.

Considerably more work will be required however, to learn if the tin-bearing ores occur on either property in commercial quantities. The presence of tin is responsible for an added impetus being given to prospectors' work in the district.

Col. Villiers Heads Mining Ass'n in B.C.

From Our Own Correspondent

VICTORIA.—The B. C. Mining Association has elected Col. C. W. Villiers of the Canadian Collieries Ltd., president, other officers being:

Vice-presidents — C. W. Bocking, president Granby Consolidated; Dale L. Pitt, general manager Premier Gold Mining Co.; directors—C. P. Browning, general manager Britannia Mining and Smelting Co.; W. Blake Wilson, president Coalmont Collieries; Gomer P. Jones, general manager, Hedley Gold Mining Co.; David Sloan, manager, Pioneer Mining Co.; F. Eichelberger, Base Metal Mines Corporation Ltd.; Col. H. H. Yuill, Victoria Syndicate; A. M. Allan, Corbin Coals Co.; C. A. Banks, B. C. Silver; R. H. Stewart, C. P. Hill, Victor Spencer and F. W. Guernsey; secretary-treasurer, H. Mortimer-Lamb.

St. Lawrence Metals Report Results from Diamond Drills

From Our Own Correspondent

MONTREAL.—Diamond drilling on the property of St. Lawrence Metals at Montauban, Quebec, has obtained encouraging results. The second hole shows a downward extension of the ore zone to a depth of 120 feet. Officials of the company have left by aeroplane for an inspection of the property.

Mining Inquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance inquiries on sheets separate from mining inquiries. No answers can be given by telephone or telegram.

Eureka Kirkland

What is the good word on Eureka Kirkland Gold? Should I hang on or get out?

Our information is that Eureka Kirkland Gold did some diamond drilling on its property last fall but the operation has been idle since. Toronto brokers inform us there has been no trading in the stock for a considerable period. Our opinion is that you would be well advised to get out of this stock and into a more active proposition.

Murphy

Can you give me any information re Murphy Mines? Would you advise to hold or sell same?

Murphy Mines recently suspended underground work. Results were said to be somewhat disappointing. The company is now engaged in surface work on its claims. There is still a possibility, however, that something may be found in this campaign, and if you can hold your stock for some time, we believe you would do better than if you sold at present.

Sherritt-Gordon

What do you think of Sherritt-Gordon?

Sherritt-Gordon is considered one of the outstanding base metal prospects. Development work has indicated two orebodies, one more than 4,000 feet long and the other 5,200 feet in places. A 42-mile railway 15 feet, and a maximum width of 50 feet in places. A 42 mile railway has been built to the property and the construction of a 1,500 ton mill is now in progress.

Hollinger

What do you think about Hollinger? Doesn't its Kamiskotia property give promise? What about the cash surplus? Is it a buy at current prices?

Hollinger is considered by many, an attractive purchase at present price levels. According to its last annual report the total ore reserves were estimated at $51,210,235. Its cash surplus is $10,669,554. This does not include its Kamiskotia holdings whose estimated tonnage has been placed at 1,000,000 tons with a gross copper value of $8,700,000 based on copper at 14½ cents per lb. There are a considerable number who believe Hollinger still possesses big possibilities as a gold producer. As you have stated it possesses several favorable factors which make it attractive at its current levels.

Barry-Hollinger

Will you please give any information which you have re Barry-Hollinger.

The most important development at the Barry-Hollinger in the history of the property is reported by the management to have recently occurred on the 1,500 foot level. Mine Manager Houston, in his report, for the seven months period, January 1 to July 31, states that a length of 140 feet of ore has been opened up on this level which shows a width of 10 feet and averages from $15 to $18 across the full width. Other sections of the property have also shown improvement and this has permitted an increase in milling. During the first five months of the year, the average was 50 tons per day, during June and July this was raised to 65 tons and in August 70 tons.

Alexo Extension

Will it be possible for you to let me know by return mail whether you have any information about the Alexo Nickel Extension Syndicate?

The property of the Alexo Extension Nickel Syndicate comprises eight fully patented claims, five of which adjoin the Alexo Nickel Mine on the north-east, and three on the south-west. The Syndicate also has an option on four additional claims tying on to its south-west group. Drilling carried out on the border of the two properties by the Alexo Mine some years ago showed 41 feet of ore at a depth of 120 feet, which carried values of from six to eight per cent nickel. The indications are that this orebody extends into the Syndicate property.

We consider the Alexo Nickel Syndicate a rather interesting mining gamble. Success will, of course, depend on the ability of the management to prove up the property and effect a sale with an operating company which we are informed is the intention.

Topley-Richfield

Please give me what information you can on Topley-Richfield Silver. I have been advised to buy shares.

Topley-Richfield is a northern British Columbia mining operation. An earnest effort is being made to prove up a mine and encouraging values have been obtained in development work. On one section of the property continuous mineral was met with for a length of upwards of 200 feet as measured along the turns of the drift. A large number of samples taken by the company of this ore gave values ranging from .1 to 1.1 ounces to the ton in gold and from 1 to 60 ounces per ton in silver. Samples taken from a 40 foot raise gave values running as high as .22 ounces gold per ton and 671 ounces silver. In a recent report published by the British Columbia Department of Mines, it stated that lateral work had disclosed a highly complicated geological structure with much faulting and that further development is necessary before an opinion can be expressed as to the potentialities of this property.

Central Copper

Please give me as full information as you can on the Central Copper and Gold Company. Where is the head office? Where are the properties? What's the capital and par value of the stock?

The Central Copper and Gold Company, incorporated in British Columbia, in 1928, has its head office at 1104 Standard Bank Building, Vancouver, B.C. The property is located at Vananda, Texada Island, and was acquired from the Vananda Copper Gold Company. It consists of three claims covering an area of one mile, by one and a half miles adjoining the Marble Bay mine to the south. Estimated shipments of over $8,000,000 of ore were made prior to 1900.

The B.C. Department of Mines reports that the property was under continuous development during 1928, and further surveying by the Radiore process was done early in the year and some 20 diamond drill holes run testing the Radiore indications of ore. The results of this work, it states, have proven very encouraging. Surface stripping has exposed a promising ore body, and exploratory work over a period of two years shows every probability of its again becoming a profitable mining operation of considerable magnitude. The company has a capitalization of $500,000 dividend into shares of 25c. par value.

Base Metals

What can you tell me about Base Metals Corp.? Where are its properties? What are its prospects?

Base Metals Corp., was incorporated early in 1929 to develop the old Monarch and Kicking Horse mines near Field, B. C. The corporation has a capitalization of 3,000,000 shares of no par value, of which 2,000,000 shares have been issued. Goldfield Consolidated Mines Co. control 1,100,000 shares and the Mining Corp. of Canada, 700,000 shares. In addition to its present holdings Goldfield Consolidated placed a block of 200,000 shares on the market for trading.

According to official estimates of the company there are 300,000 tons of developed ore in the mine, estimated worth $10,000,000. A 300 ton mill has been erected on the property and is expected will be in operation in November. Estimates as to probable net profits per ton range from $14 to $19. It is believed that the company will be able to pay a dividend after its first year of operation.

Sudbury Basin

What do you think of Sudbury Basin? How would you say it stacked up against Premier? One friend advises me to buy one, and another says buy the other.

Sudbury Basin and Premier Gold can hardly be compared. The former has a number of well located prospects and has proven by diamond drilling a large body of zinc-copper ore on its Vermillion Lake property. Its holdings in Sherritt-Gordon and Falconbridge Nickel are substantial, and the present market valuation placed on these shares seem to warrant higher prices for Sudbury Basin. It must be remembered, however, that these are only market valuations and, therefore, subject to fluctuation. The future for each of these properties appears bright, but none of them are yet on a producing basis.

Premier Gold, on the other hand, is a producing mine and is paying a dividend of 24c. per share annually. Production from the original property has been falling off in late years, but the company has secured control of several other properties with mine making possibilities, from which it is hoped to earn sufficient to meet future dividend requirements.

Big Missouri

Please give me your information and opinion on Big Missouri.

Canadian interest in Big Missouri Mining Co. is chiefly centred in its holdings in the Buena Vista Mining Co. This company was incorporated to develop a property in the Portland Canal district of British Columbia which Big Missouri sold to Consolidated Mining & Smelting Co. Under the terms of the deal Big Missouri retained a 43 per cent interest in the Buena Vista Mining Co. Consolidated Smelters in its annual report in dealing with the Buena Vista operation states that considerable tonnage of ore has been indicated but not yet blocked out on the E. Pluribus claim. This ore carries values in silver, lead and zinc with low values in gold. On another group of claims, the Province, information from eight diamond drill holes ranging in depth from 70 ft. to 1,200 ft. indicate that there is a large tonnage of profitable ore. The principal values found in underground work were in gold with some silver and in places lead and zinc. The gold values were erratic and ranged from 40 cents to as high as $2,000 per ton.

In addition to its Buena Vista holdings Big Missouri has an option on the Missouri Monarch Mines, the Bronco group of claims and the Black Forest property in Nevada. Big Missouri stock is regarded as a promising speculation for a long hold.

Howey Gold

Please let us have your opinion of the prospects for Howey Gold.

Howey Gold is regarded as a promising speculation, at current prices. A shaft has been sunk to a depth of 1,000 feet and levels are now being opened up at intervals of 125 feet from surface to the bottom level. Lateral work carried out on levels down to the 500 foot have disclosed sufficient ore to warrant three years' operation of the mill, and this will be further increased as the mine is opened up vertically. The construction of a 500 ton mill is now under way and a favorable contract has been made with the Ontario Hydro Commission, which will enable the mine to secure power at considerably below the price paid by producing mines in other camps. There is no railway being built to the Howey Mines, the nearest railhead is at Gold Pines from which a water route leads to the property. This has been improved by the Government, and as a result it is expected that transportation costs will be reduced by fifty per cent.

It is quite possible that ore carrying as high a value as you state, or even higher, has been met in certain sections of the property, but the management estimates the average ore as $7.25 in gold per ton over an average width of sixteen feet on the first four levels of the property. Further work may reveal an increase in values in width.

Some favorable features of the Howey Mine are the facts that the ore is of a free milling type which will reduce the costs and that it has secured a very favorable power contract, and is well financed.

AMULET ENGINEER EXPECTS TO FIND MORE OREBODIES

Little in Annual Report—Expect Interesting News at Meeting

The possibility of the discovery of further new orebodies on the Amulet Mines property is pointed out to shareholders in the annual report for the year ending June 30, 1929.

Apart from the balance sheet there is little of new interest, most of the other details having been covered in reports issued currently by the company during the year. As the report only covers operations up to the end of June, no mention is made of results secured in diamond drilling the "F" orebody. It is stated however, that a supplementary report will be submitted to shareholders at the annual meeting to be held in Montreal Sept. 30.

This will cover arrangements made for the construction of a concentrator, the building of a spur line to the property of the C.N.R., and a detailed report on developments at the mine.

The balance sheet shows current assets amounting to $250,283, against current liabilities of $192,415. Assets are made up as follows: cash in bank, $6,444, accounts receivable, $986, stores $14,433, marketable securities at cost, with accrued interest, (approximate market value $210,000), $228,420. Liabilities include bank loans, secured by pledge of bonds, $186,000, accounts payable $6,415.

Of an authorized capital stock of 3,000,000 shares of no par value, 2,500,000 shares have been issued, including 3,711 shares held in trust to be disposed of as the directors may determine.

Total expenditures to June 30, 1929, amount to $698,566 of which amount $227,255 was expended in the past year. A detailed statement of expenditures accompanies the report.

Prepare for Mining

Announcement is made of the resignation of Alan A. MacKay as managing director, and the appointment of W. E. Segsworth, as general manager, Jay Tuttle as mine manager and J. G. MacGregor as consulting engineer.

Mr. Segsworth reports work during the period under review was directed toward the preparation of the known orebodies for production, and to the finding of further occurrences of commercial importance.

In pursuance of this objective the shaft was sunk a further 89 feet, and a level opened up at 250 feet. Development work was carried out on "B" and "C" orebodies at the 75, 150 and 250-ft. levels. Raises were put in and box holes installed. The preparation of the "B," "C" and "D" orebodies for mining is now under way and will be completed by the time the mill is ready to run.

Development, states Mr. Segsworth, resulted in slight alterations in both tonnage and grade, but should not materially alter the profit to be won from the ore indicated in the last annual report. Details of the alterations were given in Mr. Tuttle's report dated July 8, 1929, and sent forward to shareholders.

As of June 30, 1929, the ore reserve indicated by diamond drilling and partially developed was 401,341 tons, grading 2.786 per cent copper, 12.478 per cent zinc, $1.044 gold and 2.916 ozs. silver. As compared with last year's estimate, the tonnage shows a decrease and value per ton an increase.

Referring to exploration work, the report states that this was confined to a further detailed examination of the surface geology, and to comparatively shallow diamond drilling from surface to intersect the andesite rhyolite contact on which "B," "C" and "D" orebodies occurred. The only result was the discovery of "E" orebody to the east of "C." So far it does not seem to be of large dimensions but may be increased by underground development. Attention is drawn to the fact that no deep diamond drilling has been done in this area.

Drilling of other likely sections was begun in May, resulting in the locating of "F" orebody in July. "A large part of your property is still unexplored and a careful study of the geological occurrence of the ore already found leads me to look forward with confidence to the discovery of new orebodies," says Mr. Segsworth. "It is also hoped deep drilling may disclose other orebodies under those already known."

Reference is made to the electrification of the plant, increasing the shaft to three compartments, and the installation of a double drum electric hoist, all of which has been fully paid for.

General Engineering company of Salt Lake City, has been engaged as consulting metallurgical engineers and the erection and starting-up of the mill placed in its hands. Ore tests carried out by this firm have resulted in a guarantee on its part to produce satisfactory mechanical metallurgical results.

Mormac Progress Report Expresses Satisfaction

A progress report recently issued by the managing director of Mormac Development, operating north of Sault Ste. Marie, states that a new and complete set of camps has been built and men have been set to work on the previously opened up orebodies. In addition another set of men has been set to work on the eastern end where some very interesting surface discoveries were made last year. Further development work carried on has also revealed a new orebody showing the same class of ore as that opened up previously in other showings. Further development work planned is expected to prove up expectations.

The Sudbury Crater Company, operating on properties immediately adjoining the Mormac to the south have been diamond drilling, and report good results. The veins which they have been drilling have been traced to the Mormac, consequently the results being obtained by them will be of importance to the latter.

Harker Success Would Revive Lightning River

The success met with Harker Mines on the 1,000-ft. level where free gold showings have been discovered, has revived interest in this Hammel operation. Ore has been found to extend some 350 feet further east than was expected, and further development work is being awaited with much interest.

If Harker meets continuous success, it will serve to bring to life the Lightning River Camp. Considerable ground was staked in this area several years ago, and several operators, among other Mining Corporations, are still holding their claims in good standing. If Jack Hammel brings his baby through, there is a strong probability that a new mining camp will spring up in the north.

Brittania Mining in Alice Arm Area

From Our Own Correspondent

VICTORIA.—Information from the north to the Mines Department here indicates that the Britannia Mining & Smelting Company is likely to do considerable work on the Dolly Varden and the Wolf properties at Alice Arm, upon which an option is being exercised. The Wolf is the first property to receive attention. The diamond drill operating on the Toric in the same camp has been moved over to the Wolf, and a gasoline engine to supply power has been ordered. Up until the present no development work has been commenced on the Dolly Varden.

The Dolly Varden and Wolf are owned by Colonel Victor Spencer, of Vancouver, and associates. The former comprises seven claims and the latter four. Negotiations have been under way by more than one company for acquiring the properties.

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ABANA EXPECTS TO BE INTO VEIN BY OCTOBER 1ST

Gives Careful Consideration to Metallurgical Problems

Crosscutting toward the vein is proceeding on the 425 and 550-ft. levels at Abana Mines and it is hoped to reach the objective on both levels before October 1st, W. R. Sweeney, secretary of the company states.

Blocking out of the ore is being carried out on the upper levels, and an extensive sampling is being made of the ore from all sections of the property. This ore is being sent for metallurgical tests to Salt Lake City, San Francisco and the Eastern States, as well as to zinc refineries in Belgium and Germany.

The company's intention, states Mr. Sweeney, is to secure the most favorable method of treating the ore before the question of mill construction is considered. In his opinion sufficient study has not as yet been given to the study of the metallurgy of Quebec's complex ores, and he is confident from the tests already made, that eventually a method will be found which will completely revolutionize methods hitherto in vogue.

Abana's zinc ores, Mr. Sweeney said, would be treated by a Canadian zinc refinery but would not say who the parties who would treat the ore would be.

Financial Worries Over

Queried as to the company's financial position, Mr. Sweeney said the treasury was well stocked with money and there would be no further financial worries for the Abana company. He estimated the funds in the treasury at the present time were in the neighborhood of $100,000, an amount ample to meet the needs of the present programme.

Referring to the block of shares underwritten by F. G. Oke, at $2 a share, Mr. Sweeney said the underwriting agreement was being carried out to the letter, and the payments agreed on being made regularly each month.

Coast-to-Coast News From Canadian Mines

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Mohawk

From Our Own Correspondent

VICTORIA. — Mohawk Mine, near Hazelton, reports that in the shaft a vein has been struck with heavily mineralized face. Drifting has been carried on the 200-foot level, and development work of considerable extent shows good values. The Guggenheims had the property under option for a time.

Silver Crest

From Our Own Correspondent

VICTORIA.—Silver Crest Mines, Ltd., has made a first shipment of high-grade ore to Shelby, Cal. The tunnel is now reported to be in good ore, although P. E. Poterson, the engineer in charge, had not expected to pick up an ore shoot until he got immediately below the shaft workings, two or three hundred feet farther on.

New B.C. Companies

From Our Own Correspondent

VICTORIA.—New mining companies granted provincial incorporation include the Silver Dollar Mines, Salmo, with capital of $500,000 in $1 shares; the Waterloo Consolidated Mines, Princeton, with 1,500,000 shares of no par value; and the Alaska-Juneau Gold Mining Co., registered extra-provincially.

Britannia

From Our Own Correspondent

VICTORIA—Britannia officials report results satisfactory as exploration by approved methods proceeds both at the Toric property on Alice Arm and on the old Kootenay King and special interest has recently been evinced as to the latter, because of the encouraging reports coming out regarding developments at the property. An option was taken on Kootenay King by the Howe Sound subsidiary some time ago for testing out the extent of the ore and its values. A week or two ago a rumor was current that the Britannia might drop the option or that Consolidated might take it up from them. Latest information, however, is that C. P. Browning, general manager of Britannia, is well satisfied with the prospects and will continue operations.

Georgia River

From Our Own Correspondent

VICTORIA—Plans are being formulated to develop the south-west vein of the Georgian River Gold Mines Limited's consolidated properties in the Portland Canal territory. It was the outcrops of this vein that surrendered many high grade gold assays. Favorable development on this property might be expected to have the immediate effect of extending Portland Canal activity still farther to the south and southwest.

Kootenay Florence

The new ore body intersected in the southern area at Kootenay Florence mine during the past week is proving up better every day. The ore shoot has now been opened up for 35 feet with the ore eight feet wide in the face of the drift. Both hanging and foot walls in ore. When first intersected ore was three feet in width and has widened out rapidly. Assays where shoot first tapped reveals following values; silver four ounces, lead 11 per cent, and zinc 11 per cent.

Premier

From Our Own Correspondent

VICTORIA, B.C.—An engineer representing the Premier Company made an examination of the Schufer mine and adjoining properties on the north end of Hudson Bay Mountain during August. The Schufer is a property which has experienced many vicissitudes, but is considered by some to be one of the most meritorious in the area. Other interests have recently examined the property and it is generally thought that a deal will soon be consummated with one or other of the companies which have displayed interest in the showings.

Oriole Mines

Oriole Mines reports diamond drilling carried out on its holdings in Eastern Kirkland Lake to the west of the Ritchie, are fully up to expectations.

No. 7 hole sunk in the eastern section of the property is reported to have given $15.90 values in gold, while drilling carried out 3,500 feet to the west gave values of $5.33, $5.60 and $6.40 in three holes put down.

In addition to its diamond drilling operations Oriole is engaged in exploratory surface work along the main break. It also contemplates further operations on its Crow River and Montbray holdings.

Duthie

Since the new mill commenced operations about June 10 last, the Duthie Mine, near Smithers, B.C., has been a steady shipper of concentrates. The figures are now available for June and July, and smelter returns for June totalled $17,400 and July, $22,900. This gives a total of over $40,000 for the two months. The Mining Issues Corporation in conjunction with the Atlas Exploration Company is said to have underwritten a substantial block of Duthie shares.

Bluebird

From Our Own Correspondent

VICTORIA—The radiore survey of the Bluebird group has been completed and the company's consulting engineer, Arthur Lakes, is now correlating the radiore plans with the mine maps preparatory to laying out a programme of further development. The knowledge gained should enable the management to eliminate considerable dead work in attacking the ore zones from the shortest points.

The vein in the Stranger tunnel has widened to about 12 feet, and the mineralization is increasing. A small showing of high-grade silver-lead ore is being developed on the Sandon slope, and the ore is being sacked and stored until shipments are inaugurated.

Kitchener-Rouyn

A preliminary report has just been prepared by Dr. T. L. Gledhill on the properties of Kitchener-Rouyn Mines, Ltd. The directors of Kitchener-Rouyn Mines recently planned an extensive development campaign, which has already been started. Work is now being carried out, following Dr. Gledhill's recommendations, and a shaft is to be started in the very near future.

The gold-bearing shear zones have been traced for over a mile on the Kitchener-Rouyn, and are well protected on the dip, which is nearly vertical. The gold zone is several hundred feet wide. Nearly a thousand feet of deep rock trenching has been completed, and about thirty channel assays were made recently from the unweathered vein matter. These channel assays ran from a few cents per ton up to $100 per ton in gold, according to Dr. Gledhill's preliminary report.

Kerr Lake Mines

The annual report of Kerr Lake Mines, Limited, which has been forwarded to shareholders, states that the Cobalt property was leased in October, 1928. "The lessee has worked continuously in various places above the level at which the water stands and has made shipments of silver amounting to 84,106 ounces," states Adolph Lewishon, president, in his report. "The buildings and equipment were sold during the year," he continues, "in order to reduce maintenance charges as it was deemed inadvisable to continue to maintain the equipment.

"The claims in Dufresnoy Township, Quebec, were dropped as no discoveries were made on them or in the immediate vicinity to warrant further expenditures."

Kerr Lake Mining Co., Ltd., the operating subsidiary, in the operating and profit and loss account for the year shows expenses in connection with maintenance of mine, taxes and general administration of $16,043 and loss on sale of buildings and equipment of $2,123. The royalty received on account of the lease of the mine was $14,570 and sales of ore brought $288. The assets total $66,267 of which $55,000 is mine properties investment. The surplus of $10,601 at Aug. 31, 1928, was reduced to $7,451 through the balance transferred from the operating and profit and loss account.

Howey Slumps, Say Market Play Is Responsible

The marked depression in evidence on the mining market this week extended to Howey Gold Mines stock which dipped to a new low for the year of 83 cents a share.

As far as can be learned the weakness displayed was entirely due to market manipulation as the local office of the company reports continued favorable progress is being made at the property, and no new conditions have developed minewise to explain the stock's action.

Howey has been pegged around the dollar mark for some time, its high for 1929 was $1.46, and in the several recessions it has experienced in common with the rest of the market it has never gone down below a dollar before.

Siscoe Drilling Report Details Recent Findings

A progress report issued by Siscoe Gold Mines, Ltd., gives the results of a diamond-drilling programme that was recently started on the "D" section of the property, the area in which the old shaft is located.

The report states, in part: "Hole No. 18 was put down and disclosed six interesting sections, and hole No. 19 was then put down, so as to cross the Siscoe vein. This hole also disclosed five interesting sections, and in the top a five-foot section, assaying $17.60, which was apparently the same vein picked up in hole No. 18.

"Hole No. 20 was then put down 400 feet to the south of hole No. 19. As hoped for, a new vein was picked up at the calculated horizon. This hole shows six interesting sections, with the section corresponding to the new vein showing assays of $50. At this point it became evident that, if this was an entirely new vein, the problem of ore supply was solved. Hole No. 23 was then put down between Nos. 18 and 20, and, as expected, the new vein was again encountered, where it gave five feet of ore with good values.

"This vein had now been developed over a length of 500 feet, and it became important to see if it extended to depth. Hole No. 24 was accordingly drilled 50 feet from No. 23, the hole being put down vertically. This hole encountered a vein again, and its width had very materially increased. Owing to the depth of the vein there is indicated an actual stoping depth of approximately 1,000 feet on the vein.

"At a depth of 55 feet, far above the new vein, new values were encountered. This new ore has quite definite contacts. The drill remains in values from 55 feet to 200 feet, with the core showing values over its whole length. Only one hole has been put down on the extension of the 'K' vein, but this section of the property warrants more development work, as some of the highest grade is disclosed in the 'K' vein underground."

Build Ski Factory

The Canada Ski Company is erecting a factory at Liverpool, Nova Scotia, on the lines of the Dominion Atlantic Railway. The company expects to be in operation in time for next year's trade.

ALEXANDRIA GOLD'S ANNUAL REPORT OUT

Shows Company is Without Indebtedness of Any Kind

The annual report of the Alexandria Gold Mines, has cash on hand of $1,900. Balances receivable from shareholders are listed among the assets at a total of $97,650. The company has no mortgages, no funded debt, owes no money.

Development has been carried on throughout the summer on the properties located in British Columbia and Ontario, as well as on the properties of other mining companies in which Alexandria has substantial stock interests. These companies are Bush Consolidated, in B.C. and the Georgia River Gold Mining Company.

The Ontario properties located in the Sudbury district, are reported to have had good showings, in the surface exploration which has been carried out. These are copper and nickel showings. The other Ontario properties are located in Kirkland Lake, where the policy of waiting adjacent developments has been adopted.

In the company's own property in British Columbia, some 2,000 feet of tunnelling, crosscutting and raising has been done since the beginning of operations in 1927. Work has been mainly concentrated here. Assay reports from the different tunnels were given as good. Thomas S. Davey, M.E., A.I.M.M.E., has been in charge of operations.

INTERNATIONAL NICKEL TO FURTHER INCREASE ITS SMELTER CAPACITY

(Continued from page 17)

in August placing the common stock on a quarterly basis of 25 cents a share.

That this rate of progress cannot be maintained indefinitely is apparent, and many are of the opinion that the stock at the present time is selling too high. Based on present earnings it is, but those who are responsible for the buying wave that has developed, express their confidence that the further expansion in the company's business will justify a market price of at least $100 a share within the next two or three years.

In summing up the nickel outlook, one brokerage house points out that nickel today is just as much a necessity for modern industry as steel, copper and aluminium, and new uses to which it can be put are being found continuously. The company controls a 50 years supply of the ore, and is producing and selling 90 per cent of the world's demand.

The International Nickel Co., it states, is also unique as a low cost copper producer, and should not fear competition, as it is probable there is enough gold and silver in its ores to pay most of the mining and milling costs. The rapid growth in the demand for the company's products during the past 18 months has been such, that it considers it unlikely it will be able to take care of the demand, but will have to prepare plans for a further increase in production within a year or two.

It is since this firm's analysis of the nickel situation was made that the directors' decision to increase the smelter capacity has been reported.

NORANDA PRESIDENT OUTLINES AT LENGTH COMPANY'S POSITION

(Continued from page 17)

the present estimated capacity. The concentrator has recently been handling between 250 and 300 tons per day, this being all the milling ore which could be supplied owing to the limited shaft capacity.

While admitting there has been delay in making announcement about the refinery plans on tidewater, Mr. Murdoch stated: "The plans for the refinery are making rapid progress, but until the exact size of it is determined and the site purchased we do not intend to make any announcement. The obtaining of the contract to handle blister copper production of the Flin Flon, has, of course, necessitated a change in the plans, and as further important developments are expected, the officers of Canadian Copper Refiners, Limited, are proceeding with due caution but not unnecessarily delay in progress.

"Until the size and exact costs are determined, the financing cannot be definitely announced, but I see no reason why any dividend policy which may be decided upon by the Noranda directorate can be affected by the refinery financing. In fact, the method for financing now tentatively agreed upon has been framed with this object in mind."

As to the criticism of lack of profits' statements, Mr. Murdock stated he would like to point out that while in production since December of 1927, the Horne mine is really just being developed. "When it is realized that work on a raw prospect 50 miles from any railway and 500 miles away from large centres was only commenced at the beginning of 1923, and that it has been producing since December, 1927, it should be realized what has been done, and that of necessity much remains to be done.

"Since construction started, not one production programme has been completed before some extra programme has been started. Increases on the surface naturally bring increases underground. All these programmes of development, production and expansion necessitated the expenditure of large sums of money, and as a policy of paying a goodly portion of the enlarged development programme out of current earnings has been followed, I have felt that statements of earnings would up to the present have been misleading.

"Treasury financing was carried out during the year, the bulk of this financing being used to retire the bond mortgage, which was done on July first last. But until the end of this year, when all accounts have been audited, the exact adjustment of capital and current expenditure figures cannot be made."

Cash Position Strong

The Noranda president declared further: "When the original production programme of two smelter units is fulfilled by the end of this year, we will regard the mine as having emerged from the developing-mine class, and have settled down as one might say.

"I do not mean to infer by this that if mine developments warrant we will not further expand.

"As soon as the directors feel that financial production figures can be given which will not mislead, then such figures will be given out, and I hope this situation will arise early next year. I can assure the shareholders that the cash position of the company is a strong one, and that the bulk of the cash is in liquid investments drawing a good rate of interest.

Promptly Advise Shareholders

"We feel that we have always promptly given to the shareholders either by direct communication or through the press, news of important developments and fortunately for all concerned, this news has in general been good. But the shareholders can feel that if in time unfavorable developments occur, they will be just as promptly advised as they were when developments were good.

"One of the important items of development to be carried out shortly will be the sinking of No. 3 and No. 4 shafts to a depth of 1,500 feet, which work will commence as soon as progress on the work of bringing in the second smelter unit permits.

Ore Goes to Depth

"Diamond drilling done months ago has located the downward extension of 'H' orebody below the 1,000-foot level, and what is either a new orebody on the west or the downward continuation of 'B' orebody, ore having been located by diamond drilling as low as approximately 1,600-feet vertical depth.

Below 1,000 Feet

"The limited amount of depth diamond drilling done to date and the usual irregular character of the Horne orebodies does not permit one to form any idea as to figures, but we do know that there is a big tonnage of ore of good grade below the 1,000-foot level."

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The Structural conditions of the James Bay Basin Oil Company's Holdings, with the many anticlines, are even more indicative of the production of oil.

President W. Tees Curran, F.R.G.S., and R. Cecil Daly, Treas., who has just returned from the James Bay District, reports "The huge lignite deposits now being developed are traceable within a short distance from the Company's holdings, also that lignite outcrops and oil seepages are plentiful where present oil site is now being drilled.

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$1	3.90	1.28	Abana	1.73	1.80	1.67	1.73
1	.26	.04½	Aconda	.14	.14	.12	.13
None	.90	.30	Aldermac	.30	.45	.45	.45
None	1.84	.55	Aladdin	.91	....	....	....
1	.17	.03	Albain M.	.04	....	....	....
1	.03	.00½	Algonquin	.00½	.00½	.00½	.00½
1	.48	.14	Amity C.	.17	.20	.15	.19½
.	.36½	.20	Amulet Rights	.30	.35	.25	.31½
1	3.75	1.00	Amulet	3.19	3.36	3.08	3.19
1	.90	.75	Anglo Sudbury	.90	....	....	....
1	.28	.05¼	Ankerite	.09	....	....	....
1	.13½	.01	Apex	.01½	....	....	....
1	.21	.05	Area	.11	.15	.10	.15
1	.04⅛	.00⅛	Argo. Con.	.00½	.00½	.00½	.00½
1	1.75	.16½	Arno	.31	.32	.26	.29
1	.03	.00½	Atlas	.01	.01	.01	.01
.	.07	.02⅛	Astoria	.03½	.05	.02⅛	.02⅛
1	.08	.01½	Baldwin	.04	.04½	.03¼	.04
1	.44	.16	Barry Holl.	.22¼	.23	.16	.17
None	6.50	2.75	Base Metals	5.40	6.00	5.35	5.55
None	.38¼	.05	Bathurst	.08	.09	.07	.07
25c.	.06¼	.02	Bayview	.02¼	....	....	....
.	8.50	4.05	B'Wana	8.35	7.90	7.00	7.15
1	.72	.41	Bedford	.42	.45½	.44	.45
1	.60	.14	Bidgood	.19	.18	.16	.17
1	2.41	.75	Big Missouri	1.20	1.13	.95	1.06
None	.03½	.01	Boischatel	.02	.02	.02	.02
.	.28	.05	Bobjo	.05½	.07	.05	.05
1	.06¼	.04	Brett Trethewey	.05	.05	.04	.04
None	.18	.10	Brownlee	.12½	.14½	.13	.14½
1	.15	.01	Buckingham	.02½	.02	.01½	.01½
None	.25	.07	Bunker Hill	.07	.07½	.07	.07
1	.35	.05	Cambro	.10	....	....	....
None	.13½	.10	Cal. Flin Flon	.10	....	....	....
None	1.50	.95	Canam Metals	.95	1.18	.95	1.15
.	.09	.05½	Can. Kirk	.06	.06½	.05½	.06
1	.10	.02	Can. Lorraine	.03	.03	.03	.03
1	.10¼	.01½	Capitol R.	.02	.02	.01½	.01½
1	.10	.05½	Capitol S.	.08½	.08½	.07	.08½
1	.40	.28	Castle Tre	.30	.30½	.30	.30
1	.80	.30	Cen. Man.	.35	.35	.32	.34
.	.48	.21	Cen. Patricia	.34	.35	.30	.32
1	.10	.05½	Chaput H.	.08	.07	.05½	.05½
.	125.00	86.00	Chib. Pros	115.00	160.00	120.00	160.00
None	.40½	.08½	Clericy	.10	.20	.10	.10
1	.01	.00¼	Clifton	.00¼	....	....	....
5	67.00	32.50	Coast Copper	42.00	45.00	32.50	33.00
1	.19	.09	Cobalt Con.	.10½	.10½	.10¼	.10¼
1	.03½	.01	Col. Kirk	.01	.01	.01	.01
1	1.50	1.02	Columario	1.25	1.50	1.24	1.45
5	2.60	1.01	Coniagas	1.22	1.20	1.02	1.02
5	2.50	.25	Coniaurum	.40	....	....	....
25	575.00	374.00	Cons. Smelters	409.87	410.00	400.00	401.00
25	.32½	.09	Cork Prov.	.10	....	....	....
1	.04	.01	Corona	.01¼	.01¼	.01	.01
1	.19	.01	Crown Res.	.01¼	.01	.01	.01
1	.10	.10	Destor	.10	....	....	....
.	.83	.48	Dom. Explor.	.66	.62	.48	.51
None	11.35	8.25	Dome Mines	9.75	9.55	9.40	9.50
1	.02	.00¼	Dom. Kirk	.01	.01	.01	.01
1	.12	.01	Don. Rouyn	.03	.03	.03	.03
1	.35	.01	Dunkin	.05	.05	.05	.05
1	.60	.55	Duthie	.56	....	....	....
1	.08	.02	Duprat	.05	.05	.04½	.04½
1	.02½	.00½	Everett	.00½	....	....	....
1	16.15	5.15	Falconbridge	10.10	11.50	9.60	10.50
1	.05	.01	Federal Kirk	.02	....	....	....
.	.47	.16	Flintoba	.25	.21	.16	.16
5	6.25	5.70	Franco Can. Gen.	6.00	....	....	....
1	2.00	1.75	Do., Def.	1.75	....	....	....
None	.15	.15	Gem Lake	....	.15	.15	.15
1	12.00	4.50	George Cop.	6.60	5.70	5.10	5.60
.	.34	.33	George River	.33	....	....	....
None	.16	.05	Gilbec	.08	....	....	....
1	2.00	.65	Golconda	.76	.90	.76	.90
1	.19	.04¼	Goldale	.05¼	.05½	.05	.05½
1	.93	.75	Goldfield	.75	.80	.75	.80
1	.09¾	.01	Gold Hill	.01¼	.01½	.01¼	.01¾
1	.02	.00¼	Gold Reef	.01	....	....	....
1	.25	.05	Goodfish	.07	.07	.06	.06
1	.50	.01¼	Graham	.03½	.03½	.01¼	.01¼
50c.	1.00	.25	Grandview	.30	.32	.26	.32
1	.36	.14	Granada	.25	.26	.23	.23½
1	.05	.01	Grover Daley	.02	.01½	.01	.01½
1	.17¾	.14½	Hayden Gold	.16	....	....	....
1	.35	.07	Harker	.08	.08¼	.08	.08
None	.06	.01	Harvie Exp.	.04½	....	....	....
100	70.00	70.00	Hillcrest c.	70.00	....	....	....
100	96.00	88.25	Do., pref.	91.00	....	....	....
1	.07	.01	Hilltop	.01¼	.01½	.01	.01
5	10.00	5.25	Hollinger	5.75	6.00	5.25	5.90
1	1.46	.92	Howey Gold	1.02	1.04	.92	.93
None	23.00	16.40	Hudson Bay	17.80	18.00	17.00	17.10
1	.10	.03	Indian	.03	....	....	....
None	73.00	40.50	Int. Nickel	57.75	60.87	56.00	58.00
1	.40	.02	Jackson M.	.03	.03	.03	.03
1	.65	.34	Keeley	.59	.47	.44	.47
1	.03	.00½	Keora M.	.02½	....	....	....
1	.00½	.00½	King Kirk	.01½	....	....	....
.	.07	.02½	Kirk Townsite	.07	....	....	....
1	.06	.00½	Kirk Hunt	.01	....	....	....
1	1.92	.49	Kirk Lake	.50	.58	.49	.50
1	.19	.04	Kirk Prem	.04	.05	.04	.05
20c.	.30	.10	Koot. Flor.	.13	.15	.12	.14½
25c.	.56	.27½	Koot. King	.31	.30½	.27½	.29
None	.03	.03	La Rose	.03	....	....	....
.	.84	.50	Lake Geneva	.50	....	....	....
1	27.60	18.75	Lake Shore	23.50	23.00	22.00	22.00
1	.12	.02	Laval	.03½	.03½	.03½	.03½
1	.14	.04	Lebel Ore	.04½	....	....	....
1	.03	.00¼	Lorraine C.	.01½	....	....	....
1	.01	.01	Lorraine T.L.	.01	....	....	....
10c.	.28	.09	Lucky Jim	.09	....	....	....
1	.30	.15	Macassa	.15	.15	.15	.15
1	1.14	.06	Malartic	.08	.09	.07	.07
1	.15	.11	Malrobic	.11	....	....	....
None	1.80	.45	Mandy	.45	.62	.45	.57
None	.76	.17	Man. Basin	.18	.20	.17	.17
1	.05½	.01	Marriott	.02¼	....	....	....
1	.70	.36	McDougall	.47	.50	.40	.45
1	.60	.16	McKinley	.50	.50	.40	.50
5	24.00	14.00	McIntyre	14.05	14.50	14.05	14.25
.	.50	.35	McMillan	.40	....	....	....
.	.35	.23	McVittie	.35	.28	.23	.28
1	.03	.00⅛	Millcrest	.00⅛	....	....	....
.	.45	.23¼	Mindoka	.29	.45	.26	.45
5	6.05	3.75	Mining Corp.	4.05	4.25	4.05	4.10
1	.19	.03	Mint Ore	.03½	.03½	.03½	.03½
1	.30	.02	Moffatt Hall	.03	.03	.02½	.03
1	.06	.02	Moneta	.05	....	....	....
1	.15	.02	Montreal R.	.10	....	....	....
25c.	.08½	.03½	Mort. Woolsey	.04½	....	....	....
1	.72½	.45	Moss	.50	.50	.45	.50
1	.68	.04	Murphy	.04	.06	.04	.05
50c.	.21	.18	Nat. Silver	.19	....	....	....
1	.94	.26	Newbec	.36	.44	.35	.36
1	.06	.05	Night Hawk	.05½	.05½	.05½	.05½
5	3.90	2.15	Nipissing	2.35	2.50	2.35	2.35
50c.	.82	.55	Noble Five	.56	.60	.56	.60
None	70.00	47.00	Noranda	58.25	60.25	55.75	57.20
.	1.05	.23	Nor. Canada	.24½	.25	.23	.25
None	.68	.08½	Old Colony	.12	.11	.09½	.10
1	.01½	.00¼	Ophir	.00¼	....	....	....
50c.	1.38	.15	Oregon Cop	.17	.23	.16	.23
1	.22	.15	Oriole	.20½	....	....	....
.	1.05	.35	Osisko	.40	.50	.40	.49
.	27.00	19.50	Pandora Units	27.10	....	....	....
.	.24	.16	Patterson Cop.	.16	....	....	....
1	.07	.01	Pawnee Kirk	.02¼	.03	.02¼	.03
1	17.00	4.50	Pend. Ore	5.25	5.10	4.50	4.75
1	.37	.11½	P. L. Cobalt	.29½	.28	.25	.27
1	.10	.00½	Picard	.00¼	.00¼	.00¼	.00¼
1	.68	.30	Pioneer	.33	.35	.30	.35
1	1.65	1.00	Pioneer Gold	1.35	....	....	....
1	.03½	.00½	Porc. Crown	.00½	....	....	....
1	.03	.01	Porc. Keora	.01¼	....	....	....
50c.	.82	.33	Porter Idaho	.48	....	....	....
None	.07	.01½	Potter Doal	.02	.02½	.01¼	.02½
None	.50	.38	Prem. Border	.45	....	....	....
1	2.35	1.50	Prem. Gold	1.70	1.80	1.70	1.79
1	.03	.00¼	Preston	.01¼	.01¼	.01¼	.01¼
.	1.35	.90	Quemont	.90	1.00	.90	.90
None	4.75	1.25	Reeves McD.	1.60	1.60	1.50	1.50
.	20.00	16.50	Rhodesian	20.00	....	....	....
1	.05	.00⅛	Ribago	.01⅛	.01⅛	.01	.01
1	.08	.05½	Ritchie	.07	.05½	.05½	.05½
.	.06	.02	R. Montbray	.03	.02	.02	.02
1	.06½	.06	Rubec	.06	....	....	....
1	.57	.16	Rufus Argenta	.17	....	....	....
1	.73	.30	Ruth Hope	.35	.40	.36	.37
1	.43	.20	Salmo Mal.	.42	.43	.40	.41
None	.26½	.10	San Antonio	.13	.15	.12	.15
1	9.90	6.50	Sherritt G.	7.05	7.05	6.80	6.85
1	1.38	.65	Silverado	.85	....	....	....
20c.	.15	.13	Silversmith	.15	....	....	....
1	1.65	.48½	Siscoe	1.25	1.30	.86½	1.00
20c.	.09	.08	Slocan King	.09	....	....	....
25c.	.33	.05	Slocan Ramb.	.10	....	....	....
50c.	.70	.22	Snowflake	.30	.32½	.28	.29½
1	.03	.01	So. Keora	.03	....	....	....
None	.15½	.04	Stadacona	.06	.06	.04	.05
1	.93	.12	St. Anthony	.16	.17	.15	.15
None	13.75	7.50	Sud. Basin	8.05	8.55	7.50	8.20
1	.08½	.01½	Sudbury M.	.02	.02	.02	.02
1	.10½	.02	Sud. Contact	.02½	.03	.02	.02
1	4.50	1.75	Sunloch	2.00	2.25	2.25	2.25
1	2.55	.75	Sylvanite	.80	.89	.75	.75
.	1.25	.59	Sudbury N.	.76	.70	.70	.70
.	3.00	3.00	Sudbury Rand	3.00	....	....	....
1	.24	.14	Tashota	.15	....	....	....
1	10.25	5.20	Teck Hughes	6.00	6.05	5.45	5.60
1	.30	.15	Telluride	.17	.15	.15	.15
1	.50	.10	Thom. Cad'c.	.10	.12	.10	.12
1	.02¼	.02	Temiskaming	.02	....	....	....
50c.	.62	.12	Topley	.12	.15	.12	.13½
1	2.50	.80	Toric	.80	....	....	....
1	.10½	.01½	Tough Oakes	.03	.02½	.01¼	.02
1	3.85	1.40	Towagmac	1.35	1.55	1.45	1.59
1	18.50	8.50	Treadwell Y.	8.50	8.80	8.50	8.80
None	.05	.04¼	United Algoma	.05	....	....	....
.	14.85	6.35	Ventures	6.50	7.65	6.35	7.25
1	.80	.45	Vickers	.50	....	....	....
.	1.33	.90	Vic. Summer	.90	....	....	....
1	1.28	.70	Vipond	.75	.77	.70	.70
None	8.25	1.50	Waite Ack.	5.90	6.00	5.75	5.75
1	.10½	.10½	Walsh Kat.	.10½	....	....	....
1	.10	.02	West D. Lake	.02½	.02¼	.02	.02¼
.	.02	.01¼	West Tree	....	.02	.01¼	.01¼
1	.75	.60	White Lake	.70	.69	.69	.69
1	1.48	.40	Whitewater	.48	.49	.40	.45
1	.25	.10	Wiltsey	.18	.15	.15	.15
None	.12	.01	Windfall R.	.01	.01⅛	.00½	.01¼
None	.08	.02½	Woodbine	.04½	....	....	....
None	2.95	1.30	Wright-Har.	1.56	1.56	1.50	1.52
.	.10	.10	Wood Kirk	.10	....	....	....
			WESTERN OIL STOCKS				
.	2.40	.33	Acme	.70	.79	.65	.78
.	3.25	2.00	Admiral	2.60	2.55	2.50	2.50
None	6.00	2.00	Advance	3.75	2.00	2.00	2.00
1	5.30	.58	Alta. Pac.	3.55	4.10	3.15	3.95
1	.35	.35	Anaconda	.35	....	....	....
None	6.75	1.90	Associated	2.30	4.75	1.90	3.70
1	4.00	.26	Ajax	1.40	1.53	1.15	1.28
None	4.75	1.35	Baltac	1.50	1.90	1.35	1.75
1	.80	.30	Black Dia.	.40	....	....	....
1	1.50	.55½	Brit. Dom.	.80	.87½	.75½	.80
.	2.10	1.50	Cameron Pete.	1.72½	....	....	....
1	6.00	.64	Calmont Treas	3.30	3.85	3.05	3.50
None	13.25	4.50	Calgary & Ed.	5.25	6.00	4.50	6.00
1	1.55	.90	Comm. Pete.	1.09	1.22	1.00	1.15
None	1.10	.14	Cooper Nan.	.17	....	....	....
.	.95	.15	Cypress	.24	.30	.30	.30
1	3.25	.20	Dallas	2.00	2.20	2.00	2.00
None	10.75	1.60	Dalhousie	2.70	3.00	2.50	2.83½
None	2.75	.25	Devenish	.27	.30	.25	.30
.	4.75	1.01	E. Crest Treas	1.90	2.00	1.01	1.90
.	.37	.35	Exchequer	.37	....	....	....
None	10.25	3.15	Foothills	3.75	5.00	3.50	4.49
None	3.25	1.00	Freehold	1.60	1.90	1.59	1.84
1	1.10	.10	Great West	.41	.35	.35	.35
None	2.80	1.00	Hargal	1.70	2.00	1.60	1.80
.	1.30	.90	Herron Pete.	1.00	....	....	....
1	.66	.25	Highland	.40	....	....	....
1	.65	.35	High River	.65	....	....	....
.	15.85	3.50	Highwood	3.50	....	....	....
5	20.00	5.00	do. pref.	6.10	....	....	....
.	.65	.35	High Sarcee	.40	.50	.40	.50
1	29.00	3.05	Home	17.50	20.20	15.90	19.00
None	1.85	.80	Homestead	1.19	1.36	1.10	1.30
1	2.00	.46	Ill. Alta.	.60	.70	.46	.69
None	6.00	2.25	Lowery	2.75	2.80	2.25	2.40
None	.70	.05	Madison	.26	.28	.25	.26
1	16.60	2.40	Mayland	7.90	9.25	6.25	8.95
None	8.00	2.00	McD. S. Ex.	4.00	4.20	3.70	3.87½
1	6.75	1.10	McD. S. N.	1.10	1.25	1.11	1.20
1	11.00	2.50	McLeod	3.25	3.75	3.14	3.40
None	.55½	.10½	Melbourne	.13	....	....	....
None	1.90	.85	Mercury	.90	1.05	.85	.96
.	1.25	.90	Merland	.90	.95	.95	.95
1	2.00	.22	Mid West	.50	.51	.51	.51
1	13.25	.45	Mill City	6.00	6.50	5.75	6.50
1	1.20	.52½	Model	.73	.90	.70	.70
1	.90	.15	Moose M.	.45	....	....	....
1	.50	.80	New Federal	.15	.15	.15	.15
1	.85	.30	New Valley	.40	....	....	....
.	.60	.20	N. West Pac.	.20	....	....	....
.	3.15	1.70	Nordon	2.15	3.10	1.00	2.05
.	10.05	10.00	Oil Lease	10.00	....	....	....
None	6.00	2.10	Okalta	2.45	2.75	2.40	2.50
100	60.50	45.00	do. pref.	60.50	45.00	45.00	45.00
.	25.50	24.75	Prairie Oil	25.50	25.00	24.75	25.00
.	.20	.10	Petrol	.17	.17	.15	.15
1	2.00	.35	Ranchmen's	.50	.45	.35	.40
1	1.40	.25	Regent	.52	.55	.49½	.55
None	1.65	.46	Richfield	.50	.60	.46	.50
None	200.00	61.50	Royalite	130.00	136.00	125.00	136.00
None	1.00	1.00	Sentinel	1.00	....	....	....
.	1.25	.95	Sioux City	.95	....	....	....
1	.75	.09½	Signal Hill	.23	.25	.22	.25
1	5.30	.95	Spooner	1.01	1.04	.95	.96
1	.75	.30	Stockmen	.35	.30	.30	.30
None	8.25	1.60	So. West Pete.	2.00	2.85	1.60	2.55
None	2.75	1.45	Sterling Pac.	1.97	2.25	1.69	1.97
None	2.00	.91	Sunlight	1.60	1.50	.91	1.15
1	1.55	.95	Turner Basin	.80	.95	.95	.95
1	2.00	.38	Turner Valley	1.05	1.30	1.05	1.05
None	1.95	.60	United	.99	1.50	.85	1.30
1	3.50	.70	Vulcan	.75	.75	.70	.70
1	.75	.14	Wainwell	.20	.22	.20	.21
.	4.50	2.30	Waite Valley	2.80	2.80	2.75	2.80
.	1.20	1.10	Warner Oils	1.15	....	....	....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$12.50	3.11	Lake Shore	$1.20	5.45
Dome Mines	$1	10.52	McIntyre	$1	7.01
Hillcrest, Com.	6	8.57	Mining Corp.	25c.	....
Do., pref.	7	7.29	Nipissing	30c.	12.76
Hollinger	65c.	11.01	Premier	24c.	13.40
Home Oil	40%	....	Royalite	25c.	....
Inter. Nickel	$1	1.71	Teck Hughes	60c.	10.71

Lake Shore Development Indicate Values Increase on Mine's Lower Levels

Present Dividend Increase Believed Forerunner of Others

1,800 LEVEL IS RICH

Ore Averages $40 Per Ton and Widths Found to be Greater Than on Upper Levels

From Our Own Correspondent

KIRKLAND LAKE. — Following the annual meeting of Lake Shore Mines, at Kirkland Lake, President Harry Oakes, informed "The Financial Post" correspondent that dividend payments would be increased by $400,000 annually. Regular disbursements are to be made at the rate of 30 cents quarterly as compared to the former rate of 20 cents quarterly.

The meeting was a routine affair, and the old board was re-elected. Satisfaction was expressed by all present, as the year under review undoubtedly represented the most prosperous in the history of the concern. The progress and achievements at the Lake Shore, during the year ended June 30, 1929, were greater than at any other gold mine in [illegible] in the same period, and it is recognized that the mine is far from having reached its peak.

Higher Dividend Likely

Work in connection with providing a milling capacity of 2,200 tons daily is proceeding. This will assure an average output of at least 2,000 tons daily during the greater part of the coming year. With production to be established at this rate within the next few months, it follows that earnings will increase accordingly, and it is safe to say that profits by the middle of 1930 will be at a rate which will permit the doubling of the present new dividend rate.

This will call for distributions at the rate of $2.40 a share annually. Mention of such a rate is considered conservative as, with the mill operating at the rate of 2,000 tons daily, profits are expected to be at a rate equal to between $3 and $3.50 a share yearly, a rate three times greater than the par value of the stock.

President Harry Oakes some time ago, expressed a desire to establish the property on a dividend-paying basis equal to the par value of the stock. Not only will earnings in the coming year reach a rate which will permit paying three times that amount, but in view of the outlook for the concern, it is reasonable to point to possibilities of larger disbursements.

Higher Values Indicated

While no mention of the development was made at the recent meeting, reports state that the 1,100 feet of drifting so far completed at the 1,800-ft. level of the mine, has disclosed average values of around $40 to the ton. Widths so far determined are somewhat greater than those at the levels above, and it becomes more and more apparent that the estimate of $13,000,000 to each 200 feet in depth is quite conservative.

The estimate referred to may be regarded as reasonably accurate, when applied to the levels above the 1,600-ft. horizon, but there is every indication that work to be conducted to greater depth will show a much higher gold content. It is believed the ore between the 1,600 and 1,800-ft. levels, as well as between the 1,800 and 2,000-ft. levels will contain gold in much larger quantity than the ore developed between the 1,400 and 1,600-ft. levels.

MINING ENGINEERS TO HOLD CONVENTION

Canadians to Participate Informally in Seattle Gathering

From Our Own Correspondent

VICTORIA.—Mining men from all over the United States and Canada are expected at the convention in Spokane, September 30, to October 3, which is to be continued in Kellogg and Wallace on October 4 and 5. The participating organizations are the Northwest Mining Association, American Mining Congress (western division) and American Institute of Mining and Metallurgical Engineers (northwest sections), while the mining bureau of the Spokane Chamber of Commerce is assisting in the arrangements.

Members of the Canadian Institute of Mining and Metallurgy (western division) will participate informally. At the close of the convention it is expected that a special train will carry the Canadian delegates, and many Americans also, to the regular western meeting of the Canadian Institute, which is to be held at Edmonton the week following the Spokane meeting.

B. C. Miners to Meet at Vancouver Nov. 20

From Our Own Correspondent

VICTORIA.—A general meeting of the British Columbia Division of the Canadian Institute of Mining will be held at Vancouver, on November 20th to 22nd, inclusive. There will be six technical sessions each under the chairmanship of a Resident District Engineer.

Each district will be given a session and the Resident Engineer in charge will deal with the important developments in his district during the year. This will be followed by papers having a special reference to the more important operations in the respective districts. By this plan it is proposed to present at the meeting a comprehensive review of mining throughout the province during the current year.

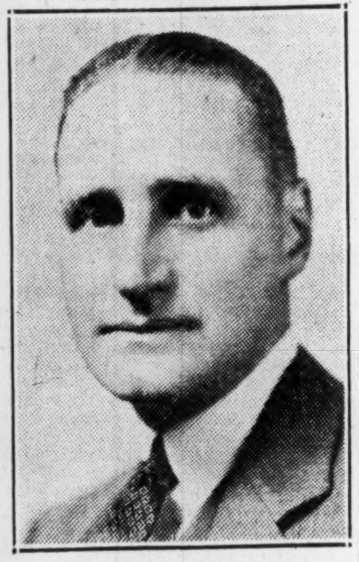
Copper Production Up; Canada Fourth Producer

Copper production in Canada showed a substantial gain in August over previous months, output being 7,770 short tons, or 15,540,000 pounds, compared with 7,490 tons in July, 6,211 tons in June, 6,955 tons in May and 5,878 tons in April.

Canada's rank among the producing nations in August was fourth. United States led with 91,735 tons, Chile and Peru combined second with 30,971 tons, Belgian Congo third with 13,448 tons.

The world's production in August showed a slight decrease from July, and it is noteworthy that there has been a decrease in each half of the five months. Output in August was 173,729 tons, against 196,820 tons in April, which was the peak month of the year.

Becomes Partner



CLARENCE E. McKENNA, who has been admitted to partnership in the firm of O'Brien and Williams, members of the Montreal Stock Exchange and the Montreal Curb Market. Mr. McKenna has been associated with the firm for many years and is well known.

POWER CORP. BUYS DUNWELL'S PLANT TO ADD TO OWN

Will Supply Mining Company With Energy at Half Former Cost

From Our Own Correspondent

VICTORIA.—To augment their present electrical power, and until the power project on American Creek is completed next summer, the Power Corporation of Canada has purchased the plant of the Dunwell Mining Company, thereby assuring Stewart ample electricity throughout the winter. One of the conditions of the deal is that the Power Corporation agrees to supply the Dunwell Company with power at just about one-half of what it was originally costing the mining company to generate their own power. That Stewart is a camp of mineralogical surprises was further exemplified when the owners of the Ruth and Francis property came in with ore that runs 8 per cent nickel and 52 per cent cobalt, besides $10 in gold, making a total value of $43 per ton. Though the more common minerals such as gold, copper, silver, lead and zinc are to be found almost anywhere in the district, it is the first time the existence of nickel and cobalt has been disclosed.

BELIEVES AMULET OUTSTANDING BUY

Mining Engineer Declares "F" Orebody Most Important Find

That Amulet Mines constitutes one of the most promising speculations on the mining board at the present time is the opinion of a mining engineer who has made a close study of the company's possibilities.

Amulet he says is going to be big, just how big is not yet known, but the development of the past few months has shown its possibilities. "F" orebody he considers the most important find that has been made on the Amulet property to date. It will require considerable further work to delimit it, and there are possibilities of the discovery of further orebodies. No one knows how big an orebody the "F" body will be and there in lies its speculative possibilities.

There were no surface outcrops to denote the presence of "F" orebody. The management noted the same breciation and alteration as occurred over orebodies "B" and "C" and set up the drills on what looked like a good location. It was only after drilling to a depth of over 200 feet vertically, that the drill cores began to tell the tale, and the first indication of the "F" orebody was obtained.

There is a large part of the property that has not been explored as yet, and it is believed the chances are equally favorable to pick up further orebodies at depth in other sections of the property.

The management itself has pointed to the possibility of picking up new orebodies underlying those already located.

COAL CONSUMPTION INCREASES 12 P.C.

Imports and Output Share in Higher Figure

From Our Own Correspondent

MONTREAL.—A 12 per cent increase in the amount of coal consumed in Canada during the second quarter of 1929 is the conclusion drawn by the Dominion Bureau of Statistics in its quarterly report on the Canadian coal situation. This increase is due in part to higher imports, which rose 15 per cent, and to a 10 per cent increase in domestic production. For the second quarter, Canadian mines produced 4,153,000 tons as against 3,761,000 tons for the corresponding period in 1928, with all provinces except British Columbia sharing an increase in production.

Cumulative figures for the first six months of the year show output of Canadian mines at 8,766,000 tons as against 8,269,000 tons in 1928. This is an increase of 6 per cent for the year. Of the total output Nova Scotia contributed 39 per cent and Alberta 42 per cent of the total. Dividing the cumulative figures according to kind of coal produced, figures show that 77 per cent of the total production is bituminous, 19 per cent lignite and 4 per cent subbituminous.

During the three months period of the second quarter, it was found that the percentage of tonnage lost during the three months was 22 per cent, of which 16 per cent was due to lack of orders, 2 per cent to absenteeism and additional 2 per cent to mine disability. The number of employees in the coal mines averaged approximately 26,000.

Establish New Industries

Recent new industries established in Greater Winnipeg and noted by the Winnipeg Board of Trade News Bulletin, include: fox food, confectionery, pleating and art silk painting, corrugated boxes and toilet preparations.

SAMPLING TAKEN FROM LUCKY JIM IS REPORTED GOOD

Mountain Boy Engineer Makes Examination of Neighbor

From Our Own Correspondent

VICTORIA. — Systematic sampling and prospecting of the Lucky Jim property in the American Creek section is producing interesting results. Harry Townsend, consulting engineer for the Mountain Boy and also on the field engineering staff of the Anaconda Copper Co., has been paying considerable attention to the Lucky Jim. His latest sample, taken across seven feet of the vein, gave 80 cents in gold and 77.8 ounces silver, and he estimates this ore to carry five per cent copper as well. An assay sample taken by Wm. Bosence across 14 feet of the vein showed 9.8 per cent copper and a small amount in gold and silver. It is pretty well established that this vein is a continuation of the vein of the Mountain Boy, which property it adjoins.

The Lucky Jim—frequently confused with an historic Slocan property of the same name—consists of six claims, with which are combined the three claims of the Last Chance group.

The vein strikes northwest and southwest, and dips into the hill at an angle of forty-five degrees. Where first discovered, it is at the foot of an unscalable cliff. It has been traced for 700 feet and the owners are still prospecting the ground, which because of its ruggedness, is extremely difficult to explore. This summer the claims were surveyed and a trail brushed out to connect with the Mountain Boy trail.

Because the original Mountain Boy claims have been Crown-granted for many years, the ground near them has been until just recently overlooked by prospectors, they take it for granted that it was useless to investigate ground close to Crown-granted property. In spite of the sensational assays and the known existence of a series of veins, some of which are of enormous size, the Mountain Boy Hill is not yet half prospected and it will be years before its real value is known.

After several attempts spread over a period of weeks, the intersection of the high-grade vein with the Mann vein on the Mountain Boy property has been reached, and shows a width of some 30 feet of exceptionally good milling ore. Exact information as to what is happening on Mountain Boy is difficult to obtain, the management stating that they have no information to give out.

However, in following up the report through unofficial channels, it appears that the intersection is located in such a steep place on the mountainside that it was only reached by use of ropes from above, by which it was opened up. It is further understood that the management are making arrangements to drift toward this intersection from the No. 3 level.

Developments on Mountain Boy has been in progress ever since last fall. This has resulted in a great deal of work being done, and although the management is chary of giving out information at present it is known that encouraging results have been obtained.

Casey Mountain Syndicate Issues Progress Report

The Casey Mountain Operating Syndicate, in a progress bulletin to shareholders concerning results secured at the Summit Lake property advises that high-grade sections in sheared porphyry aggregate thirty feet in width across a seventy-five foot shear in which mineralization is arsenopyrite, galena, tourmaline, chalcopyrite, and visible gold. A test pit on this vein had reached a depth of fifteen feet and visible gold was observed in several places at the bottom of the pit.

Sections of visible gold, equally rich to any yet uncovered in Northern Ontario, were observed in places along the foot wall of No. 2 vein. The mineralization of this deposit is largely blue quartz, arsenopyrite, chalcopyrite, and visible gold.

Preliminary sampling has been completed and submitted for assay to Haileybury Assay Laboratories. Camps are under construction to accommodate thirty men.

Brokers Reduce Margins Believe Bottom Reached

The pessimism which has prevailed in the mining and oil market during the past few months and the liquidation which has ensued as a result, has resulted in a decline in the quoted value of many mining and western oil securities to a point where they are selling at prices much below their intrinsic value, in the opinion of a firm of well-known mining and oil brokers.

In a circular recently issued to its clients this firm states that, believing the mining and oil market has been thoroughly liquidated, it is now prepared to reduce its marginal requirements.

About a year ago the firm raised these from 33 1/3 to 50 per cent, believing excited speculation had carried the market to a point where it was placed in a vulnerable position.

From now on it is prepared to accept marginal business in the listed Toronto Standard Exchange Stocks, which sell at 40 cents or higher, on a basis of 33 1/3 cash margin.

Western oils and Vancouver stocks which sell at 50 cents or higher, will be accepted on the same basis.

Advertisers Create a New Midsummer Record!

Merchants and Manufacturers pay tribute to The Daily Star's "pulling power"

Going Up!

	1928
July	802,200
Aug.	936,880
	1,739,080 lines
	1929
July	980,044
Aug.	1,027,768
	2,007,812 lines

INCREASE
268,732
AGATE LINES

First 6 Months 1928
6,389,880 Lines

First 6 Months 1929
6,952,375 lines

INCREASE
562,495 lines

Total *Increase*
over 1928
for 8 Months
831,227 Lines

OVER TWO MILLION agate lines of display advertising appeared in The Daily Star in the midsummer months of July and August, again lengthening The Star's lead over its nearest competitor.

This new record for Toronto newspapers is another tribute to the pulling power of Star advertising, as well as an evidence of optimism among merchants and manufacturers alike in business prospects for Toronto and the adjacent Ontario market.

This increase—many thousands greater than that of any other Toronto paper—was achieved without the use of special inducements or special sections of any kind whatever.

Largest Daily Newspaper Circulation in Canada

Daily Average Circulation for the Month of
August
172,914

City and Suburban 133,633
Country 39,281

Daily Average Circulation Shown by A. B. C. Statement for Year Ending Sept. 30, 1928
168,620

City and Suburban 132,017
Country 36,603

TORONTO DAILY STAR

The Only Toronto Newspaper Offering Extensive Provincial Coverage without Sacrificing City Circulation

Montreal Office—Canada Cement Bldg.—J. B. RATHBONE

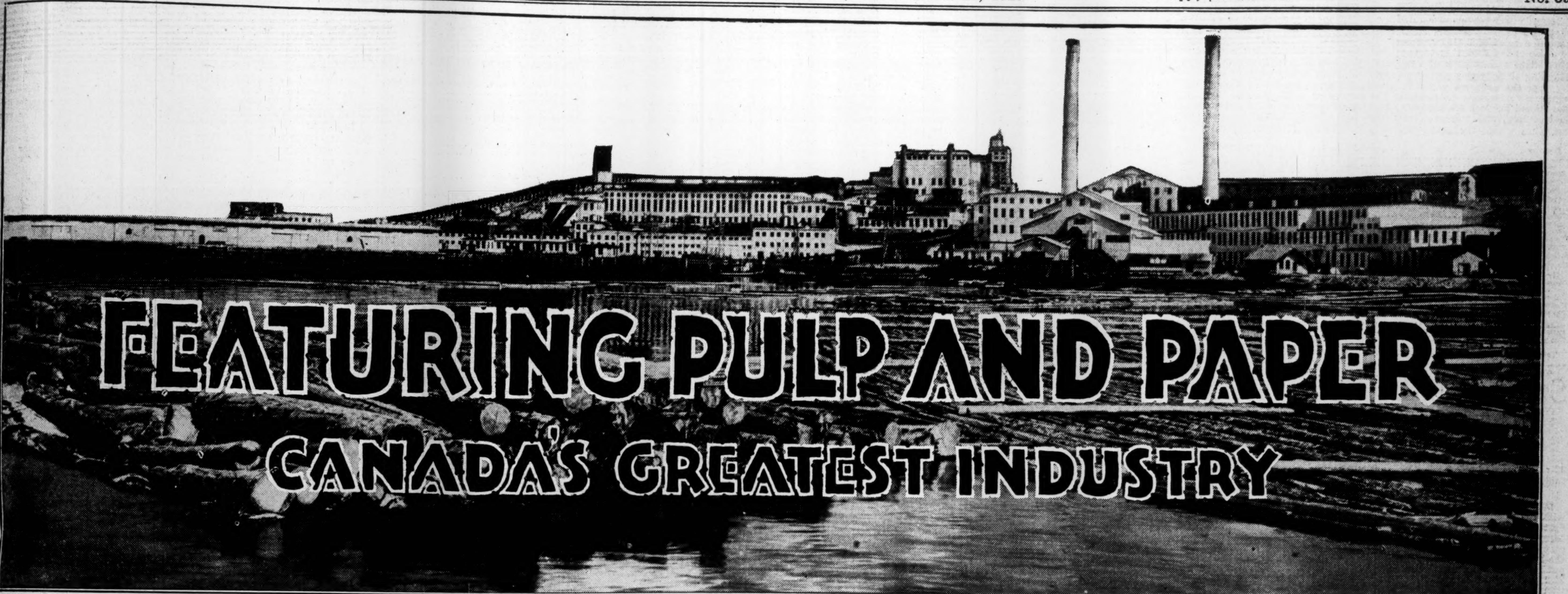
U. S. Office—New York, Chicago, Boston—CHAS. H. EDDY CO.

THIRD SECTION

THE FINANCIAL POST

THIRD SECTION

Vol. XXIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, SEPTEMBER 26, 1929 | 10c. a Copy; $5.00 a Year | No. 39



Move in Newsprint Stocks Attributed to Developments Along Lines of Consolidation

No Official Information for Basis of Stories Circulated When Securities Come in for Attention—Story Always Has Favorable Effect

ECONOMIC CHANGES ARE POSSIBILITY

If Present Low Newsprint Prices Continue, More May be Made to Bring About Greater Economies—This May Take Form of Consolidating Interests—Outlook is That No Immediate Change Will be Made

One cause attributed for the recent move in newspaper stocks, is the possibility of further changes taking place in the corporate structure of those companies already in the field. This is not a new reason: it is dragged from the cupboard every time that the newsprint stocks come in for attention. At times these rumors take on definite shape, so that it is not always the best policy to overlook them.

In the present instance, there has been no official intimation as to the likelihood of a merger or the realignment of some existing companies. The talk along these lines, however, has gained considerable credence and market values have no doubt been effected favorably.

Whether or not such changes are in the offing remains to be seen, but, on the other hand, there are certain basic developments which lead to the assumption that consolidation of existing units would be worthwhile.

Period of Transition

At present Canadian newsprint producers are going through a period of transition. Too great faith on the part of promoters and bankers in the industry has brought about a state of over-production. At the end of 1928, conditions had assumed rather serious proportions. Since then, as a result of numerous conferences, arrangements have been made for production and the settling of prices at a point which leaves little profit for the manufacturer.

Over the past six months, however, operating conditions have undergone considerable improvement and taken as a whole, the industry is in better shape than a year ago. At the same time the outlook is much improved and expectations are that operations can be maintained at present levels for the next year.

Want Better Price

The financial position of many of the companies depends very much upon the ability of the producers to secure a larger price for their product in 1930. At $55.20 a ton — current price—there is barely sufficient margin to cover funded debt and other prior charges, while the balance available for dividends on the preferred and common stocks outstanding is hardly sufficient to go around.

Accordingly new ways of increasing or stabilizing revenue are uppermost in the minds of the newsprint executives. Two major ways are open to them, namely, effecting greater economies in operations, or by diversifying production.

Lower Wood Costs

There is little that can be done in actual plant operation to bring about greater economies. What savings can be effected, would have to come through woods operations. This brings up the question of timber limits and their ownership. It is apparent that there would be no advantages in bringing together the Western and Eastern operators. Therefore consolidations of operations would have to be confined to the eastern or central section. In that territory, the woods operations can be roughly divided into four areas, namely the Saguenay, and Northern Quebec, St. Maurice Valley, Gatineau and Ottawa Valleys, and Northern Ontario. In some instances, the leading companies have operations in all four areas. Many of the smaller independent companies have limits close to the bigger operators.

When taking into consideration the unification of timber limits, one impressed with the heavy interest which certain banking groups have in the newsprint companies. In examining the financial banking of the companies, one sees that the leading producers are largely controlled or financed by two or three investment banking groups.

In view of the likelihood of lean earnings this year and the same for 1930, in the event that the operators are not successful in securing a higher price for their product, it stands to reason that some action might be taken by the bankers to protect their stake of many millions of dollars in these enterprises.

Many Large Groups

The Hold-Gundy group, for example, is outstanding and controls the operations of Port Alfred Pulp and Paper Corporation and Canada Power and Paper, which in turn control the Laurentide Company, St. Maurice Valley Corp., Belgo-Canadian Paper, and also have a substantial stake in the Thunder Bay Paper Company, the Quebec Pulp and Paper Corp., and Anticosti Corp.

Dominion Securities Corporation and its associates have an important financial stake in Brompton, Lake St. John and St. Lawrence Paper Mills.

Other Large Producers

While not so closely identified with any particular Canadian banking group, three other newsprint producers stand out prominently. Abitibi Power and Paper controls the Spanish River Paper Mills, Murray Bay Paper, Ste. Anne Paper, Fort William Paper, Manitoba Paper, and jointly owns with Canada Power and Paper, the Thunder Bay Paper Company.

Price Bros. & Company is one of the other large producers. This company, in addition to its own operations, controls Donnacona Paper and has a half interest with Port Alfred Pulp and Paper in Quebec Pulp and Paper.

International Paper is one of the leading newsprint manufacturers in Canada. This company controlled from New York and Boston, has a number of mills in Ontario, Quebec and Manitoba. It also is reported to have a stubstantial stake in E. B. Eddy Company.

The Backus-Brooks group, sponsored by Minneapolis interests, does not enter the Eastern picture to any marked extent, though as producers of newsprint must be taken into consideration. This organization controls the Great Lakes Pulp and Paper, Minnesota and Ontario Paper, Kenora Paper Mills and Powell River Company.

In addition there are a number of independent producers, whose aggregate capacity of newsprint make them an important factor. Among this class might be included Anglo-Canadian Spruce Falls Pulp and Paper, Mersey Paper (to come into operation this fall), Wayagamack, Bathurst, St. Lawrence Paper, Lake St. John, Brompton, etc.

Change With Benefit

It is obvious that a realignment of the banking interests' holdings might take place, which would bring about a strengthening of the industry. Price Bros., for example, could use to greater advantage the timber limits of Lake St. John, Quebec Pulp and Paper, Ste. Anne and Murray Bay, than would be the case with the present owners.

Abitibi might benefit from a decentralization of its activities. With holdings extending from the mouth of the St. Lawrence River to Lake Winnipeg, Manitoba, it is an open question as to whether or not Abitibi would benefit from setting up a number of small independent units, or disposing of some of the outlying properties and consolidate the balance.

Stabilize Earning Power

Probably the next important development in the newsprint industry, will be the diversification of interest in order to stabilize earnings. Price Bros. has already taken a step in that direction by letting contract for the construction of wallboard plant through its subsidiary, the Donnacona Paper.

Canada Power and Paper is another company around which considerable talk has centred. Through its sale of Laurentide Power to Shawinigan, Canada Power is now in an exceedingly strong liquid position to carry out any scheme designed to make it less dependent upon newsprint as a source of revenue.

The story has been circulated that Canada Power and Paper was actively interested in taking over Wayagamack, which with its large production of kraft and newsprint, would prove a welcome acquisition. From reliable sources, it is understood that there is no immediate likelihood of this even taking definite shape.

Considerable credence has been given to the unsupported story that Dominion Securities would consolidate its various newsprint holdings. Brompton, Lake St. John and St. Lawrence are mentioned, but as the latter concern is not controlled by Dominion Securities, the matter would have to go before the shareholders.

May Await Developments

It is doubtful if any of the newsprint producers will follow Price Bros. example and erect a new unit for the production of products distinct from newsprint. Neither is it feasible to switch existing newsprint machine installations over to the manufacture of other grades of paper. Accordingly there remains only the two avenues of action, the consolidating of operations for greater economies or continuing as at present constituted.

Provided that some check is kept upon the installation of new newsprint machines and that a better price for newsprint can be secured, it is reasonable to assume that it will only be a matter of a short time before the operators have built up their earning power to a point compatible with the capital invested.

Timber and Power Assets Vary Greatly

Relationship between pulpwood resources and available water power, shows a wide diversion among the different provinces. Quebec is by far the most fortunate in this regard, having estimated pulpwood resources of 330,000,000 cords and 8,459,000 h.p. hydro electric energy. Manitoba has an over-abundance of waterpower in relation to pulpwood resources, while Alberta is just the opposite. The position of each province is clearly shown in the following tabular matter:

	Estimated Pulp Resources Million Cords	Available Water Power at Ordinary Flow H.P.
British Columbia ..	290	1,931,000
Alberta	252	390,000
Saskatchewan	142	542,000
Manitoba	67	3,309,000
Ontario	200	5,330,000
Quebec	330	8,459,000
New Brunswick ...	35	87,000
Nova Scotia	28	20,800

Outlook for Paper Stocks More Promising at Moment

The record of the newsprint stocks over the past three or four years has not been altogether favorable for the investor. At times market interest in this group of stocks has been most pronounced, but following the break a year ago, interest has been spasmodic. In the last three months, however, renewed buying has taken place and values have appreciated many points.

Until the fall of 1926, newsprint stocks were well up to the average value of all industrial stocks being traded in at that time. Beginning with 1927, the general market started to outstrip the newsprint securities and though the disparity between the two groups was not pronounced, the break in the middle of 1928 saw the newsprint stocks fall away sharply in value. Today the difference between the group value of all newsprint stocks and that of the general market is wider than at any other time in the past decade. This is clearly shown in the accompanying chart, the index of which is based upon average values prevailing in 1926.

Little Better Now

There has been some improvement in the spread of values during the past few weeks, but the difference is still marked. Leaving aside all such considerations as possible mergers or other remote developments which might have effect upon values, there is good reason for believing that the newsprint stocks have touched bottom and that over the next year or two will again advance to a point where the present wide disparity between this group of stocks and the market as a whole is not so pronounced.

Reasons for Faith in Stocks

There are two major considerations for believing that the newsprint stock values have touched rock bottom. The first is that the selling price of newsprint will hardly go any lower, while there is a good possibility of increased prices being secured for 1930 contracts. Over the past year, the demand for Canadian newsprint, both from the United States and other markets, has increased at a satisfactory rate. Accordingly plant operations have been maintained at an exceptionally good level, despite the substantial increase in capacity.

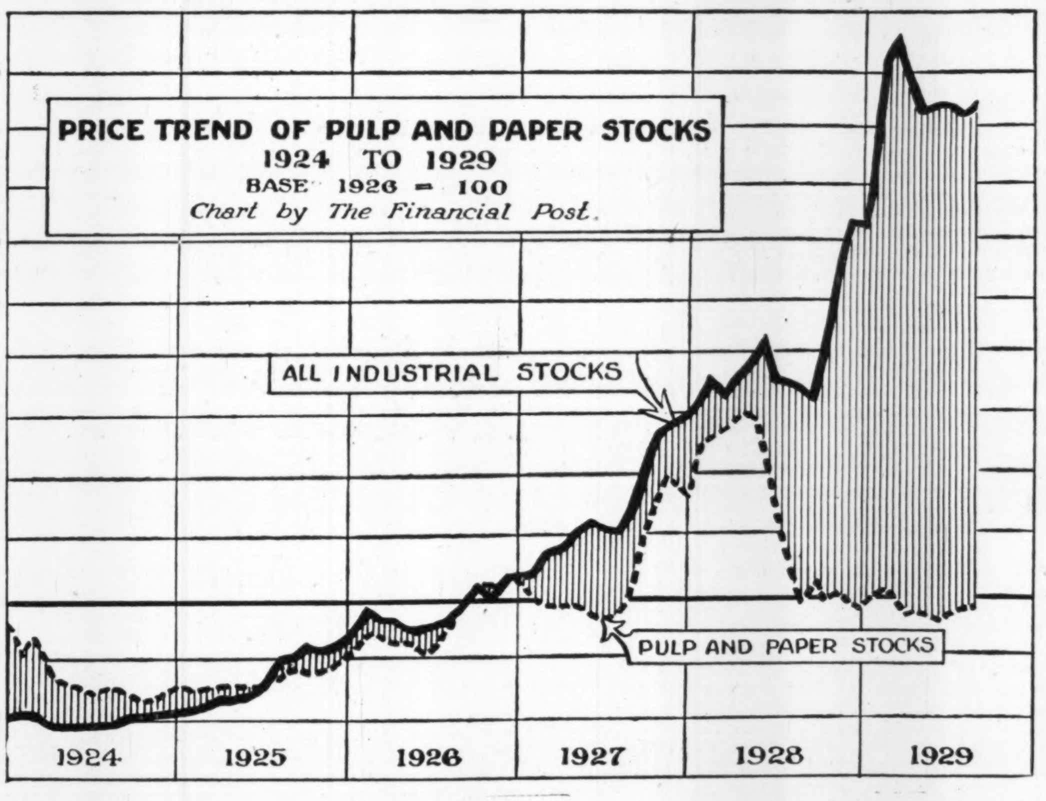
There is every reason to expect that newsprint requirements will not diminish over the next twelve months. And also as there is reason to expect a better price than $55.20 a ton for newsprint, the assumption is that the earning power of the producers will again return to something like normalcy.

Maintain Present Rate Next Year

Production in the last half-year has been over 80 per cent of rated capacity; at times close to 90 per cent. This rate, it is anticipated, can be maintained during 1930. The only fly in the ointment is the amount of additional tonnage that will be brought into production in the next twelve months. Price Bros. has two machines installed, but inoperative. St. Lawrence Paper also has two new machines, likewise inoperative. Mersey Paper will be bringing two machines into operation before long. The same applies to International Paper's new mill at Dalhousie, N.B. In all 1,050 additional tons are involved. It remains to be seen if the market can absorb this additional output without causing unsettlement.

The present situation in the newsprint industry is eminently satisfactory. It remains for the leaders of the interest to see that production does not get out of hand again. If they are successful in achieving that end, then there is every reason to expect that the industry will make appreciable headway in reporting higher earnings.

Newsprint Stocks Lag Behind General Market



From the beginning of 1927 to date, newsprint stocks as a group have fallen away in value as compared with the general market trend. Prior to that time, this group was either ahead of the market, or on even terms. With the immediate prospects for the industry of a brighter hue, it is possible that the stocks will regain some of their loss of the past two and a half years.

Strong Market Movement Canadian Paper Securities Hinges on Advanced Prices

Mill Capacity Has Increased Over 40 Per Cent in Last Three Years, But Consumption Keeps Pace—Stocks on Hand Kept to Minimum

MORE ENCOURAGING OUTLOOK FOR INVESTOR

Further Lessening of Spread Between Supply and Demand Only Matter of Time—New Production Will Not Jeopardize Situation—Advertising Campaign Plans Cause for Satisfaction

Any consideration of the investment outlook for pulp and paper securities eventually boils down to one question—What of the market for newsprint? Though the industry is made up of a number of divisions, the major source of revenue and operations centres around newsprint. Further, as by far the largest amount of capital is invested in this branch of the industry, the paramount importance of this question is only too apparent.

Over the past ten years, the Canadian industry has suffered from the vagaries of the market and from its own waywardness. In the first instance the domestic demand for newsprint is only a fraction of the capacity of the mills already established. If the Canadian plants had to depend upon the home market for the disposal of their output, the industry would not be where it is today—the dominant influence on the balance of trade.

Look to the South

Progress to date and future growth depends wholly upon the market to the south. The growing needs of the American publishers has been the cause of the establishment of so many large plants in the Dominion. Also it is the cause of many of the troubles of the industry, particularly that of over-production.

Signs leading up to the breakdown of the marketing machinery last winter were to be seen by all who took the trouble to look into the industry. The first bad break in the market, back in 1921, can hardly be attributed to any one factor, rather was it the cumulative result of the economic depression of that period.

Expanded Too Rapidly

In the years that followed, leading up to the break in prices and the disorganization of the American newsprint market some ten months ago, can, however, be attributed to the lack of foresight on the part of those interests instrumental in advancing the necessary capital for the establishment of new mills. The Provincial Governments are also partially to blame in that they were too free in handing out timber limits, not only because of the opening up of new sources of revenue, but also because of the political prestige resulting from the establishment of a new industry.

Doubled in Five Years

Thus, in a period of less than five years, the capacity of Canadian newsprint mills more than doubled. The lack of foresight shown by the provincial governments and promoters was in not seeing that the American market could not possibly absorb all the additional production as it was thrown on the market. Publishers' demand did increase at a remarkable rate, but the manner in which new machines were brought into operation was only tempting Providence.

Accordingly, at the beginning of 1928, one finds a large tonnage of newsprint coming on the market for which there was no ready outlet. There was only one thing to do and that was to cut prices. A number of the mills signed long-term contracts with one of the large American consumers of newsprint, on a sliding scale of prices. The other mills were not to be outdone and a mad scramble ensued to secure "long-term contracts" at prices lower than those prevailing.

Market Breaks Down

It was only natural that other consumers should demand prices comparable to those offered certain of the large buyers. The outcome was the breaking down of the newsprint market. Mills were closed down as demand fell off and the industry was vitally in need of leadership. At this juncture, the provincial governments of Ontario and Quebec stepped in to see if matters could not be put aright.

After many conferences between the leading producers and the government authorities, and not without a certain amount of give and take, it was finally decided to set up a price of $55.20 a ton f.o.b. mill. Further, a limited scale of operations was agreed upon and also a decision arrived at as to the distribution of new business. As a result, operations became more stabilized and as the demand increased during the past few months, production advanced accordingly.

Current Situation Healthier

From an operating standpoint conditions in the newsprint industry are considerably better now than they they were a year ago. But at $55.20 a ton for newsprint, representing a cut of approximately $5 a ton from last year's figure, it is not necessary to stress the fact that big profits are not being piled up; in fact, despite the larger production, it is doubtful if many of the companies will report any marked improvement in earnings this year.

The lower price has been partially responsible for the increasing use of newsprint. Mainly the larger shipments of paper to the United States have been due to the fact that this summer there has been less of a seasonal decline in advertising and reader interest. In any event, the stabilizing of price, levelling down of operations, and more concentrated and unified selling methods have been instrumental in bringing the industry up to a plane where the producer and investor alike can look forward to the future with some degree of confidence.

Much Adverse Criticism

Those who have been bearish on the newsprint industry have taken pains to point out the rapid increase in rated capacity during the past three years, and also to stress the fact that the American market's needs could not increase at a rate sufficient to take care of the new supplies coming on the market.

There is the old story of the man who could not see the forest because of the trees. The same axiom applies to the man who cannot see the further development of the Canadian newsprint industry. Though installed newsprint machine capacity has increased very rapidly, demand also has been going ahead and the slack between rated capacity and consumption at present is not much greater than it was at the beginning of 1927, when rated capacity was much less than now.

Rated Capacity Gains

According to the Newsprint Service Bureau's figures, the rated capacity of Canadian mills in January, 1927, was 7,276 tons a day. At the end of that year capacity had increased to 8,500 tons. There was a gradual increase during 1928, the December figure being 9,897 tons. For the first four months of the current year, rated capacity stood at 10,018 tons, while for August, the rating had advanced to 10,388 tons daily. This is the highest point, of course, ever reached by the industry and represents an advance over the

(Continued on page 22)

Pulp and Paper Mills Pay Big Power Bill

Recent figures on the power requirements of the pulp and paper industry, show that mills operating in this country pay out $11,486,821 annually for purchased power. This figure does not include power generated by the companies themselves and used for their plant operations. Quebec has a big lead over all other provinces in the amount of power purchased, being credited with $7,659,244. Ontario ranks second with $3,296,919, while all other provinces are credited with $530,658.

CANADA'S FOREST RESERVES AMPLE FOR MANY YEARS

New Growth and Scientific Management Will Prolong Life

Canada's forest resources are now estimated at 224,304,000,000 cu. ft. of standing timber, which is capable of yielding 424,637,000,000 feet board measure of sawn lumber and 121,993,000 cords of pulpwood, ties, poles, and other smaller materials. With the population of the Dominion estimated at 9,519,000 in 1927, this represents a per capita supply of 23,564 cubic feet of standing timber to provide an annual per capita consumption for use alone of over 269 cubic feet.

A total depletion of 4,400,000,000 cubic feet per annum does not necessarily imply that the Dominion's total resources of 224,304,000,000 cubic feet are reduced by that amount every year and that the supply will therefore be exhausted in 50 years.

(Continued on page 22)

Canada Stands Dominant in World Newsprint Output

Any doubt as to Canada's pre-eminence in the newsprint manufacturing field is immediately dispelled by an examination of statistics of world production for 1928. During that period, all countries produced 6,700,000 tons, of which Canada accounted for 2,381,000. In the matter of exports, Canada's position is even more dominant, accounting for 2,207,000 tons out of a total of 3,415,000 tons.

Also it is interesting to note that though Canada leads the world in production and exports of newsprint, yet also it is a heavy consumer, standing sixth in this regard among the nations of the world.

Over the next few years, it is reasonable to expect that Canada will continue to increase its needs in the matter of production. At present, the spread between the capacity of Canadian newsprint mills and demand is lessening, and this fact, combined with the advent of several new machines within the next year, should make for increasing production.

Country	Production	Exports	Imports	Balance At Home
Canada	2,381,000	2,207,000	......	174,000
United States	1,415,000	11,000	2,157,000	3,561,000
Great Britain	646,000	94,000	235,000	787,000
Germany	600,000	155,000	......	445,000
Japan	267,000	54,000	......	213,000
Sweden	224,000	176,000	4,000	52,000
Newfoundland	231,000	212,000	......	19,000
Finland	214,000	188,000	......	26,000
Norway	198,000	184,000	......	14,000
France	136,000	11,000	140,000	265,000
Netherlands	76,000	34,000	27,000	69,000
Austria	57,000	40,000	......	17,000
Belgium	50,000	8,000	16,000	58,000
Czechoslovakia	45,000	16,000	......	29,000
Italy	45,000	3,000	11,000	53,000
Spain	26,000	4,000	14,000	36,000
Esthonia	20,000	18,000	......	2,000
Poland	20,000	......	6,000	26,000
Mexico	17,000	......	......	17,000
Denmark	16,000	......	15,000	31,000
Russia	7,000	......	85,000	92,000
Latvia	3,000	......	3,000	6,000
Not specified	6,000	......	......	6,000
Total (tons)	6,700,000	3,415,000	2,713,000	5,998,000

Strong Market Movement Hinges on Advanced Prices

(Continued from page 21)

32-month period of 3.112 tons, or roughly 43 per cent.

Consumption Also Up

Production naturally fluctuates with the seasonal demand. For the first month of 1927, Canadian mills turned out 6.575 tons, or 88.9 per cent of capacity at that time. For the last month of the same year output totalled 7,754 tons, representing 82.2 per cent of capacity. Production increased steadily throughout 1928 and in December totalled 9,216 tons daily, or 84.3 per cent of capacity. For August of this year, the mills turned out 9,540 tons, equivalent to 80.5 per cent of rating.

What is of more importance, however, is the manner in which the mills have been able to market their output. Following shows the way in which shipments have increased over the 32-months period, which, in other words, is illustrative of the increasing needs of American publishers:

	Tons
January, 1927	158,866
July	159,843
December	181,439
January, 1928	186,829
July	181,834
December	215,133
January, 1929	209,020
July	227,502
August	224,254

Shipments Keeping Pace

It will be seen that between January, 1927, and the same month for 1929, shipments had increased by 50,000 tons a month, or about one-third greater than the first period. Comparison with August, 1929, would show an even greater difference in favor of current demand.

One might well bear in mind that in the 32-month period rated capacity increased by 43 per cent, while demand during the same period was somewhat greater.

This is significant. The spread between capacity and demand has steadily grown less and if new installations are kept to a minimum, it will not be long until demand accounts for more than 90 per cent of capacity.

This, of course, is a mathematical promise and does not make allowance for the many misadventures which might crop up.

Mill Stocks Lower

That the newsprint situation is encouraging at the moment, and far healthier than generally credited, is further evidenced by an examination of mill stocks. This is an item of importance, as it serves as a gauge of the relationship demand and supply.

At the end of January, 1927, mill stocks totalled 17,255 tons. At the same time a year later stocks on hand amounted to 37,731. To close observers of the newsprint industry, it was apparent then that new machines were being brought into production at a rate greater than the market could stand; thus culminated in the agreement last spring on restricted output and stabilized prices.

For January, 1929, mill stocks had again receded and only amounted to 21,406 tons. A better idea of the current situation in regard to mill stocks could be had by an examination of the August figure for the past three years. These follow: August, 1927, 31,743; August, 1928, 52,108 tons; and August, 1929, 29,785 tons. These figures are all the more important when it is realized that productive capacity has increased over 40 per cent during this period.

American Output Off

As for the situation among American newsprint manufacturers, a survey of the statistical returns, reveals a dropping off in importance of the industry across the line. For August, 1929, rated capacity amounted to 5,611 tons a day, while production totalled 4,622 tons, or 79.8 per cent of capacity. Shipments amounted to 118,789 tons, or 78.4 of rating, and stocks on hand to 25,656 tons.

For the same month two years ago rated capacity of the mills was 55,733 and production 4,935, or 82.1 per cent of capacity. Shipments in that month were equal to 80.4 of rating, while mill stocks aggregated 30,355 tons.

Factors Favor Canada

It is thus apparent that the increased American demands are being taken care of by Canadian mills and, furthermore, it is obvious that the United States is coming more and more to depend upon this country for its newsprint supply.

When one considers the marked advance in the rated capacity and production of Canadian mills on a per day basis and that mill stocks, in actual quantity, are less today than they were two years ago, when conditions in the industry were looked upon as promising, one cannot help but feel that the industry is once again on its way to an era of greater prosperity than ever before.

More Advertising Planned

As to the outlook for demand, the general opinion seems to be that requirements of the publishers should show a steady gain for some time to come. Much depends, of course, upon business conditions in the United States and the resultant volume of advertising, but at the moment there is nothing on the horizon that would lead to the belief of a setback in business conditions across the line.

This theory is borne out in part by the manner in which advertising lineage in the principal American periodicals has increased steadily since the beginning of the year. The summer decline in advertising and reader interest was less pronounced this year, which fact enabled producers to maintain operations at a satisfactorily high level. Further enquiry does not reveal any prospect of a let up in advertising during the coming fall and winter months.

Market Hinges on Earnings

Taking for granted that the Canadian newsprint mills will record a larger production and shipments this year, the outlook, from the point of view of the investor, boils down to what earnings the companies are likely to show on the lower price for newsprint.

The cost per ton of newsprint varies with the different mills. Some are known as high cost producers, others as low cost producers, dependent upon the type of equipment, cost of pulpwood, transportation charges, power costs, etc., etc.

From available figures it is estimated that it costs Abitibi in the neighborhood of $46.35 a ton to manufacture newsprint. This figure is arrived at after taking into consideration depreciation and depletion, but before considering bond interest and other prior charges.

Low Cost Producers

Cost per ton of newsprint, on the same basis, for the four other important Canadian producers are as follows: Canada Power and Paper, $45.97; Port Alfred, $40.25; Price Bros., $50.58 and St. Lawrence, $49.79.

The companies, of course, do not make available to the public their production costs, but it is considered that the above estimates are fairly accurate as to the individual companies, while comparatively the ratio is regarded as reliable. The figure for Price Bros. is the only one about which there might be doubt, as this company's newsprint activities are closely bound up with its lumbering operations.

Not Much Profit

Taking the average for these five companies, whose costs might be said to be representative of the industry, the average cost of manufacturing a ton of newsprint works out at $46.60.

On a basis of $55.20 a ton, it will be seen that there is a spread of $8.60 a ton between costs and selling price. While this is a comparatively low figure when one takes into consideration funded debt charges, preferred stock dividends, etc., to say nothing of dividends on the common stock, the decline per ton of revenue is offset to some extent by the larger production. It is possible that some of the low cost producers might possibly report larger earnings on their common stock this year, but taken as a whole, the reports are not expected to show much change.

The vital point to consider though when weighing the relative merits of the newsprint securities against those of another class, is the possible effect on earnings if the producers are successful in securing an advance in price on their contracts this fall. In some quarters it is said that the manufacturers will ask for a high price, probably $60 a ton. If the producers are successful in securing this price, the effect on common stock earnings is one that the veriest tyro in finance can figure out for himself.

There is also the encouraging fact that even if the publishers are not successful in advancing the price in 1930, it is only a matter of time before the American publishers will have to meet the demands of the Canadian producers. Newsprint must be had, the domestic supply is wholly inadequate, Canada has the supplies at a relatively low cost, and the consumer will, before long, be in the position of accepting and not dictating terms. When that day comes, Canadian newsprint stocks will come into their own.

Lincoln Paper Mills

Lincoln Paper Mills, one of the better-known of the Ontario producers, has passed into control of C. Howard Smith and Harold Crabtree, who have formed a new holding company known as Alliance Paper Mills. All of the common stock of this company has been absorbed into the new organization, but the funded debt remains outstanding, being guaranteed by Alliance Paper Mills.

Occupies High Position

Total capital invested in the pulp and paper industry is second only to electric lighting power plants and a total number employed is second only to saw mills.

Quebec Pulp & Paper

No Betterment, But Directors Are Conserving Assets

Quebec Pulp and Paper Corporation is peculiar in so far as the pulp and paper industry is concerned, but it is no different from any other of the groundwood pulp producers. Though holding assets of immense potential value, the company, owing to depressing market conditions, has not been able to operate profitably.

The company is controlled jointly by Price Brothers and the Port Alfred Pulp and Paper Corporation, these interests having come into the picture some two years ago. The predecessor company, the Quebec Pulp and Paper Mills, came into being, as the result of an amalgamation of the old Saguenay Power and Paper Company and the Chicoutimi Pulp Company. These two organizations, due to financial difficulties, were consolidated by the bond holders who formed a new company, which, in turn, sold its assets for a large preferred and common stock interest in the present organization. The shares of the new company were then distributed among the shareholders of the predecessor company.

Operate One Mill

During the past year it was only possible to operate No. 1 mill at Chicoutimi. Number 2 mill at Chicoutimi and the plant at Val Jalbert were idle. In fact, it was deemed advisable to close down the mill at Val Jalbert entirely, but in so doing, adequate steps were taken to protect the company's assets there.

The properties of the Quebec Pulp and Paper includes three groundwood pulp mills, two in Chicoutimi and one in Val Jalbert. The mills have combined daily rate of capacity of 500 tons of mechanical pulp. The timber limits contain over 5,000,000 cords of pulpwood on freehold anl leasehold limits and are well located on the Saguenay and Peribonka water-sheds. The company's water sites have a potential capacity of 53,000 h.p., of which 36,000 h.p. is developed.

Advised to Hold

Investment in the securities of Quebec Pulp and Paper Corporation is and out and out speculation. For those investors now holding the stock, it is a matter of waiting, because there is ample equity back of the company, though it appears that it will be many years before they can be profitably developed.

For the 13 months' period ended December 31 last, the company issued its first financial statement which showed a net loss of $372,575. The loss was but a logical sequence to the trend of the groundwood market, which has continued to decline both in demand and in price for the past four years.

Will Not Develop

Just what the output for the company is can be judged by the remarks of the president in his last annual statement, when he said that the course of events in both the pulp and paper industry during the past few years and the prospects for the future are of such a nature that the management does not feel that they can hold out any definite hope of possible development and operation of the company's assets. Management, at that time, felt that the only course for them to pursue is the present one of operating the properties at as small a loss as possible, while continuing to seek a solution of the problem in other directions.

In years gone by, it might have been advantageous for the management to turn the company's product into newsprint, but owing to the state of its finances this was not possible. Instead, the company has continued to operate its groundwood pulp plant and hoping that in time the market would re-establish itself and permit operations to be carried on on a profitable basis. No definite scale of operations is maintained, the mill-producing groundwood for definite orders.

Work Under Difficulties

Even when the demand for pulp and paper is excellent, the groundwood mills do not obtain the full benefit of better prices as, first, they do not obtain the full manufacturing profit; and, secondly, the transportation cost of groundwood are high. If the company ships wet pulp, they pay transportation cost on the large percentage of water which is in the pulp; if they ship dry pulp, they must meet the annual interest charges on expensive drying machinery. This machinery is almost as costly as paper machinery. The Quebec Pulp and Paper Corporation ships about 58 per cent of this output as air dried pulp, thus reducing transportation cost somewhat.

May Become Valuable

As has been said, the only outlook for shareholders in this company is that in some future date it will be possible to utilize to greater advantage the company's valuable assets. Meanwhile, every measure is being taken to conserve these assets.

As the authorized $7,000,000 in preferred stock is non-cumulative, ultimately, the common may acquire a real value. Port Alfred and Price Bros. have a large investment in this corporation, represented by common stock, and it is reasonable to expect that at some future date, when conditions are more propitious, steps will be taken to exploit Quebec Pulp and Paper's large resources of timber land and water powers on a basis which will permit the return of interest on the money put into this enterprise.

QUEBEC PULP & PAPER

(Controlled jointly by the Port Alfred Pulp & Paper Corp., and Price Bros. & Co.)

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 shs.	100,000 shs.
Pref. 7% ($100 par)	$7,000,000	$7,000,000

Funded Debt—

(Of subsidiary companies):

5% first mortgage, Chicoutimi Water and Electric Co., due 1932, outstanding $80,000, of which $72,000 have been repurchased and held in treasury, leaving only $8,000 held by the public, all of which are being called for redemption in 1929.

Ha! Ha! Bay Land & Building Co., 5½%, first mortgage, $85,700.

The common shares are owned equally by the Port Alfred Pulp & Paper Corp. and Price Bros. & Co., Ltd., purchased by the two companies in 1927 for $3,000,000. This amount was distributed to the shareholders upon exchange of shares on the following basis:

(a) For each preferred share which carried 50% bonus of common (1½ share unit), either $40 in cash and $70 of new preferred, or $21 in cash and $100 of new preferred.

(b) For each preferred share without the bonus of common, either $20 in cash and $70 of new preferred, or $100 of new preferred.

Dividend Record—

Preferred—7% non-cumulative. None paid to date.

Common—None paid.

Officers and Directors—

Officers—A. J. Brown, chairman of board; A. S. McNichols, pres.; Major E. Flynn, and C. E. Bergeron, vice-presidents; J. M. Carnigan, sec.; Oswald Brand, treas.; G. W. Hodgson, asst.-sec.

Directors—A. J. Brown, A. S. McNichols, A. C. Price, C. E. Bergeron, G. M. McKee, A. Cross, J. L. Apedaile, J. H. Price, Major E. Flynn.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT

(For period Dec. 1, 1927 to Dec. 31, 1928)

Pulp sales	$960,798
Less: Mfg. cost	887,228
Gross profit on pulp	73,570
Less: Selling exp. and handling	138,780
Operating loss on pulp	65,210
Other revenue	1,545
	63,665
General and admin. exp.	65,114
Miscellaneous charges:	
Exp. of mills not oper.	154,308
Loss on pulpwood sold	85,677
Bond interest	16,274
	385,038
Less: Interest and other inc.	12,463
Loss for period (before deprec.)	372,575

CANADIAN FOREST RESERVES AMPLE FOR MANY YEARS

(Continued from page 21)

The Dominion Bureau of Statistics points out that estimating the probable duration of the country's supply of forest products is not a mater of simple arithmetic. The rate of utilization is far from constant. It tends to increase with the discovery of new uses for wood, the increase in population and the increase in demand for forest products from other countries who supply us has been reduced in a greater extent than those of this country. The rate of destruction from fires and other agencies is also very uncertain but tends to increase with increase of population and the extension of settlement unless measures are taken to prevent this tendency.

Scientific Growth Favored

On the other hand, there is a steady increase in volume taking place in all healthy stands of timber due to annual growth. By the application of scientific forest management this annual growth can be stimulated and should be made to take place over the entire area of potential forest lands. If all the land in Canada which is better fitted for the growing of timber than for any other purpose were under intensive forest management on a sustained yield basis, it would furnish enough timber and forest products annually in perpetuity to supply the needs of a much larger population than the Dominion has at present, with a sufficient surplus for profitable exportation.

Lower Fire Loss

There is reason to believe that in time the loss due to forest fires will be practically eliminated once the general public can be made to realize the necessity of precaution, as 90 per cent of forest fires are due to human carelessness. Scientific methods of controlling insects and fungus damage are being rapidly developed and in time the depletion will consist almost entirely of material cut for use.

The use of substitutes for wood may tend to reduce consumption but this is usually exaggerated as a factor in forest consummation. The increase in scarcity of wood will result in increasing prices which will tend to eliminate consumption.

It is now a profitable investment to plant trees in Canada under certain conditions and the planting and management of forest lands is becoming increasingly profitable as supplies decrease and prices advance, but before this planting and management can possibly result in forest crops sufficient for our domestic needs the country will pass through a period of lean years whose duration and intensity will depend entirely on how soon and how efficiently scientific management is applied to existing forests.

Draining of Muskeg Helps Forest Growth

Experiments carried on by the Abitibi Power and Paper Company in respect to wood growth, have met with some interesting and successful results.

With knowledge of the extensive and favorable work done in other countries and having considerable areas of swamp or Muskeg types on the limits, the company decided to carry on certain experiments to ascertain what results would be of draining swamp areas. Ditches were dug in 1922, draining certain areas, of which careful data has been kept with most remarkable results.

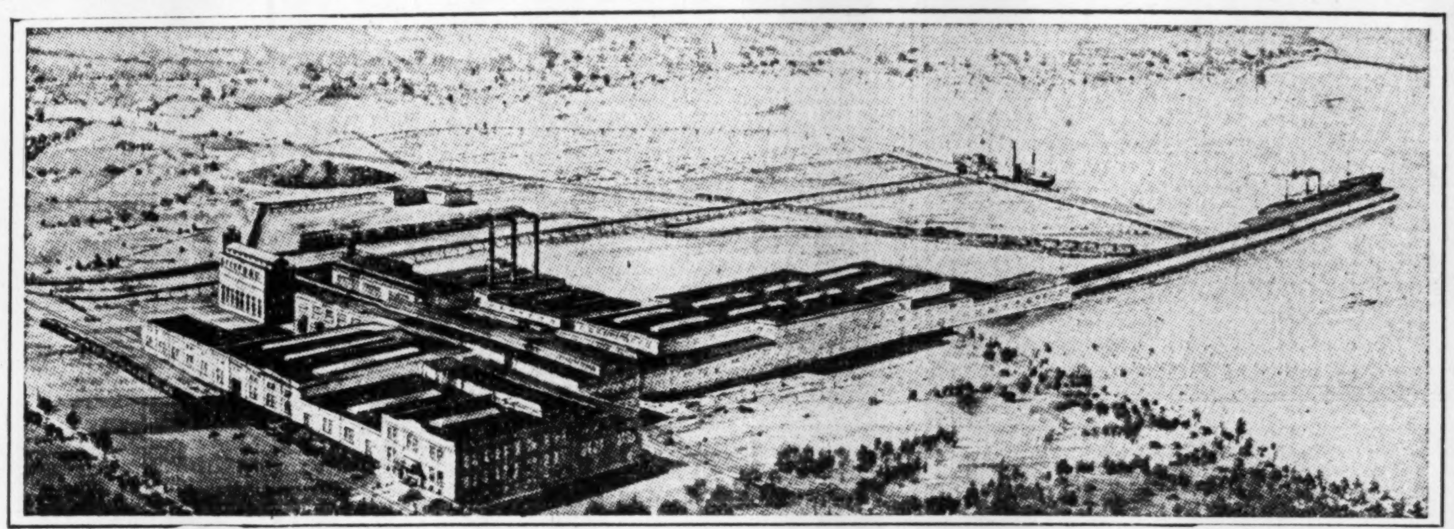
In the first year after drainage, little difference in rate of growth was noticed. In the second year the rate of growth in diameter increased up to 200 per cent. In the following years and up to the present or sixth year, the rate of growth has annually shown an increase of from 300 per cent to 500 per cent.

The experiment, which has been carried on exclusively by the Abitibi Company, is considered a pronounced success, and the company is about to launch a similar research project on a much broader scale, when complete detailed data can be collected on the thousand and one phases which will present themselves in the course of such a study.

It would seem from such very general observations that have been made to date that this project may possibly in due course show the economy of adopting this form of soil treatment to vast areas in the northern parts of Ontario and Quebec, which are now totally unproductive, or at best support only a more or less stunted and exceedingly slow growing stand of timber, much of which cannot in the ordinary course of events become merchantable for an indefinite period.

Establish Forestry Bureau

It is announced that a special Bureau of Forestry Research will be created in Quebec similar to the Forest Products Laboratory at Ottawa and the Federal Research Stations for investigating the forest problems confronting Quebec Province. Municipalities and other public bodies are invited by the Department of Lands and Forests to acquire waste and proceed with replanting measures, and the Forest Service agrees to furnish without charge the necessary trees or seeds for the enterprise.



Architect's drawing of the Mersey Mill. Its admirable tidewater location is apparent.

Inaugurating a Great, New Industrial Era in Nova Scotia

N.
CHARLOTTETOWN
MONTREAL
CANADA
NOVA SCOTIA
HALIFAX
MERSEY PAPER CO.
LIVERPOOL
PORTLAND
BOSTON
NEW YORK
PHILADELPHIA
UNITED STATES
BALTIMORE
WASHINGTON
NEWPORT NEWS
NORFOLK
WILMINGTON
ATLANTIC OCEAN
CHARLESTON
SAVANNAH
DALLAS
JACKSONVILLE
NEW ORLEANS
MIAMI
HOUSTON
GALVESTON
KEY WEST
HAVANA
CUBA
GULF OF MEXICO
TAMPICO
MEXICO
VERA CRUZ
CENT. AM.
COLON
PANAMA
PACIFIC OCEAN

Showing strategic location of the Mersey Paper Company's mills in relation to the Atlantic seaboard.

285 miles to Boston
480 " " New York
635 " " Philadelphia
735 " " Baltimore

Nova Scotia becomes a newsprint producer — ushering in a wholly new industrial era!

In October of this year the first 125-ton newsprint machine of the Mersey Paper Company goes into operation. The second 125-ton machine will be ready November 15th — and the third early in 1930.

Thus is utilized for the first time the pulpwood and power resources of the province of Nova Scotia in the manufacture of newsprint paper — creating an industry which will add not only to the profitable economic development of the province's natural resources but to its increased industrial wealth and purchasing power.

The mills of the Mersey Paper Company are admirably situated—adjacent to adequate and easily accessible wood supplies, with cheap and abundant hydro-power immediately at hand, and are in an exceptional position to cater to the Atlantic coast ports of the United States.

The mills are located on an open harbour which permits shipment by water all the year round. This insures the lowest possible freight rates — much lower than those of mills shipping all rail.

The Mersey Company is building its own steamers of special design to insure paper arriving at destination in box car condition.

The Mersey Paper Company is a triumph of co-operation— on the one hand of the people of Nova Scotia through the arrangement for timber from Crown lands and hydro-electric development on the Mersey River, and on the other hand of those whose far-seeing vision and financial resources have made Nova Scotian newsprint production a reality.

Shipments by water all-the-year-round in the Company's own steamers of special design.

MERSEY PAPER COMPANY
LIMITED
LIVERPOOL, NOVA SCOTIA

Minn. & Ontario Paper

One of the Largest Producers of Newsprint in World, Company Also Generates Much Electrical Energy

The Minnesota and Ontario Paper Company, which ranks among the largest manufacturers of newsprint in the world, was promoted by the Backus-Brooks interests and is controlled by them. The company continues to make successful headway. After making liberal allowance for depreciation and taxes on profits, interest on the outstanding $25,000,000 6 per cent first mortgage bonds was earned more than 2.89 times during the year ended December 31, 1928. Net earnings in the same period, after all charges, amounted to $2,142,687 as compared with $1,930,720 for the previous year. Working capital at the end of the year stood at $11,125,392. Gross earnings have shown a steady increase over the past three years, being $5,962,766 in 1928, $5,234,465 in 1927 and $4,730,444 in 1926.

E. W. Backus, the president of the company, is of the opinion that the newsprint industry is now in process of being stabilized and from now onward he looks for steady improvement in conditions, justifying more optimistic predictions for the future. During the greater part of the last fiscal year the output of the company was curtailed to about 70 per cent of capacity, obviously reducing net earnings to a very considerable extent, as newsprint represents the major portion of volume at the plants.

The company owns, directly and through ownership of the entire capital stock and bonds of the Ontario and Minnesota Power Company and the Rainy River Improvement Company, in perpetuity, the water power on both sides of the Rainy River at International Falls, Minn., and Fort Frances, Ont., and complete rights on both sides of Rainy River at the same points, as well as a substantial amount of real estate for the location of pulp and paper mills. Immediately tributary to these locations is a forest area of over 25,000 square miles containing practically inexhaustible supplies of spruce, poplar and other paper making woods.

Plants consist of a four-machine newsprint paper plant on the American side and a two machine newsprint paper plant on the Canadian side, together with accompanying ground wood and sulphite mills, having an aggregate annual capacity of 120,000 tons of paper, 18,000 tons excess sulphite pulp, 60,000 tons of groundwood and 25,000 tons of kraft pulp.

The water power development generates about 30,000 24-hour horsepower, available for the company's undertakings. There is also an auxiliary steam electrical plant at International Falls with a capacity of 6,000 horse power. The company furnishes light and power to the towns of International Falls and Fort Frances.

Capitalization—

	Authorized	Issued
Com. ($100 par)	$15,000,000	$9,392,000
Pref. 6% cum., par. ($100 par).	5,000,000	3,756,000

Majority of stock owned by Backus-Brooks Co., Minneapolis.

Funded Debt—

6 per cent first mortgage sinking fund bonds, series "A," authorized and issued $16,000,000; due serially $5,000,000, 1930 to 1935; $11,000,000, 1945.

Series "B," due 1948; authorized and issued $4,000,000.

Series "C," due 1950; authorized and issued $5,000,000.

6 per cent notes, due 1931, issued $3,500,000.

National Pole & Treating Co. 6 per cent notes, due 1931; issued $2,000,000.

Dividends—

Preferred—6 per cent per annum, cumulative, payable quarterly. Preferred participate equally with common, after 6 per cent has been paid on common stock.

Officers and Directors—

E. W. Backus, pres.; S. W. Backus, vice-pres.; R. D. Main, compt.; W. F. Brooks, sec.-treas; C. T. McMurray, pur. agent; C. C. Honey, Minneapolis, Minn.; Geo. McLean, International Falls, Minn.; D. McLeod, Kenora, Ont.

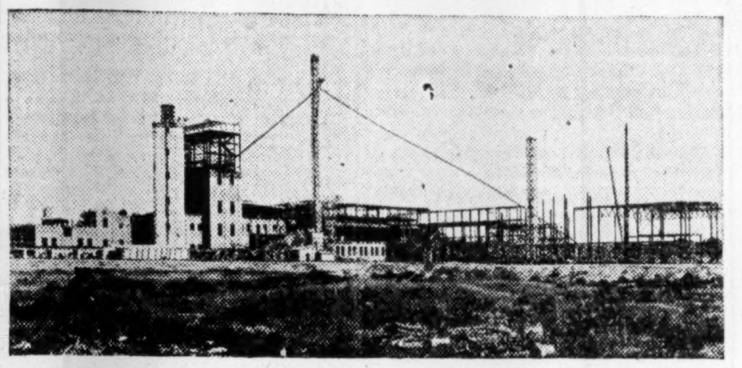
Production—

Upon completion of additions to property annual capacity will be 250,000 tons of newsprint paper, 34,000 tons Kraft liner board, 150,000,000 ft. insulating material, and over 125,000,000 ft. of rough and finished lumber.

CONSOLIDATED NET EARNINGS
Years Ended Dec. 31

	1928 $	1927 $
Net earnings	......	5,234,465
Less: Interest	......	1,671,659
Deprec. and amort. ..	......	1,482,086
Income tax	......	150,000
Net profit	2,142,687	1,930,720
Less: Pref. divs.	225,360	235,360
	1,917,327	1,705,360

Canada's Newest Newsprint Mill



Above picture shows the James MacLaren Company's new plant in course of construction at Masson, P.Q. The mill will have a capacity of 250 tons daily and when completed will cost about $6,000,000.

Sulphate-Kraft Industry

Wider Market for Products Has Beneficial Effect Upon Operations—Production Higher and Prices Well Maintained

The position of the sulphate market has undergone an improvement this year, largely due to the increasing demands for kraft paper and its various products. When considering the sulphate pulp industry, one must take into consideration also the manufacture of kraft, the two being closely inter-related. With the increasing demand for kraft, the companies are able to turn more of their sulphate pulp output into paper.

While the industry can hardly fail to be unfavorably affected by the unsatisfactory markets which prevail for some of the other grades of pulp and paper, yet other mills cannot switch their production over either to sulphate or kraft and so increase the competition between the sulphate mills.

It is true that lower prices for other grades will result in supplanting kraft for a few uses, but the ever-growing uses to which this grade of paper is being applied may offset the not-too-favorable position prevailing in other sections of the pulp and paper industry.

Kraft paper is, because of its strength, used very largely for wrapping purposes and, also due to its strength, has been finding wider and wider markets. Today it is being used for bags for holding cement, flour, sugar and other materials. The uses of kraft are varied and are growing wider almost daily.

In the United States more and more sulphate is being produced by those located in the Southern States where a more or less rapid growing type of wood has been found, suitable for this kind of pulp. In this way, Canadian manufacturers have had to meet keener competition in United States markets, but as sulphate pulp from Canadian fir trees is of a grade superior to that made in the Southern States, the Canadian product will always be successful in finding a market.

Early this year the International Paper Company announced an advance of $10 a ton in the price of kraft paper. This announcement had a favorable effect upon the kraft and sulphate industries in this country as it provided a stiffening up of prices in the domestic market and also had a favorable reflection in the export trade.

Canadian kraft is now marketed in all quarters of the world. Wayagamack, for example, has established agencies in Europe, South America, Australia and the Far East, where its product is well and favorably known. This development is of particular importance to the Canadian mills, as only about half of the total production is marketed within the country. Practically all the Canadian exports of sulphate pulp go to the United States but some tonnage is exported overseas.

The market for sulphate pulp and kraft is broadening from year to year, and the outlook for the Canadian companies in this field appears to be of promise.

Corrugated Paper Box

Two Factories in Toronto and Winnipeg, Modern in All Respects

The Corrugated Paper Box Company, during the past year, has brought its new plant at Leaside into production, all of its machinery, equipment and paper supplies having been removed to that point. The whole manufacturing process has now been concentrated amid the enlarged surroundings for some time past, and it is reported on good authority that production has already exceeded the normal capacity of the old plant. The opportunity to completely overhaul the old equipment afforded by the necessity for transference of operations was utilized to the full, and additional machinery was also purchased and installed. The immediate result of this policy was a considerable increase in tonnage production on a more efficient manufacturing basis.

While some loss of business, though on a limited scale, was naturally experienced by the change over of plants, the expectation is that the net earnings for the current fiscal year, which terminates on December 31 next, will considerably exceed those of the last fiscal year reported, and that earnings on the common for the full year should be proportionately greater than the $3.00 reported for the nine months period covered in the last statement. Sales for the first eight months have been materially ahead of those of the corresponding months of last year, and, as the company is now in a position to almost triple output, there will be no necessity to turn down orders as has been the case at times heretofore.

Making Additional Profits

The company was fortunate in having completed removal just prior to the yearly peak demand for corrugated and fibre board products, which should still further enhance the outlook for additional profits. Early in the present year, to cover the extension of the Winnipeg plant of Hilton Brothers, a subsidiary, and to erect the new plant at Toronto, the outstanding preference shares were increased by 2,000 to 8,500 and the outstanding common from 40,000 to 47,000. Under the altered conditions the company's sales are understood to have been limited only by capacity and the demand, according to the latest reports, continues good. Figures bearing on estimated profits are not yet available, although a gratifying increase in earnings is looked for in informed circles. The volume of orders is such that full production can be maintained for some months ahead and warrants the belief that manufactured tonnage in 1929 will double the 1928 figures.

The company was incorporated to acquire as a going concern as at April 1, 1928, the business, undertakings and assets of the Corrugated Paper Box Company, including its holdings of 68.8 per cent. of the outstanding capital stock of Hilton Brothers, of Winnipeg. At the same time the new company acquired also the balance of the outstanding capital stock of Hilton Brothers. The old company had been in operation since 1913, when J. S. A. Whealy purchased the original company, known as the Corrugated Paper Company, In 1926 control of Hilton brothers was secured.

Two Modern Factories

The land at Leaside, on which the new plant has been erected, consists of a five acre tract, which was purchased on most favorable terms. The new factory consists of a large single story building of brick and steel construction. It has a frontage of 178 feet and a depth of 630 feet, thus covering a ground floor area of over 112,000 square feet and there still remains sufficient land on the site to provide for very considerable future expansion. A railway siding running almost the entire length of the building ensures rapid delivery of raw materials and quick despatch of finished products. The plant of Hilton Brothers in Winnipeg is located on Wall Street and adjoins the main line of the Canadian Pacfic Railway to which it is connected by a private siding. This plant is constructed entirely of brick and covers a ground area of approximately 53,000 square feet, additions having been made during the winter of 1928 which increased the floor area by nearly 50 per cent.

Capitalization—

	Authorized	Issued
Com. (n.p.v.)	100,000 shs.	47,000 shs.
Pref. 7% cum., red. ($100 par).	$1,500,000	$842,000

Funded Debt—

None.

Officers and Directors—

J. S. A. Whealy, pres.; J. A. Gairdner, 1st vice-pres.; J. A. Whealy, 2nd vice-pres.; A. T. Whealy and J. A. Whealy, joint managers; A. T. Whealy, sec.-treas.; Senator J. H. Spence, O. A. Doherty, Toronto; Henry Hilton, Winnipeg.

Dividend Record—

Preferred 7 per cent per annum, cumulative, payable quarterly, Mar., June, Sept. and Dec. 1. Initial dividend of 1¾ per cent paid June, 1928.

INCOME AND SURPLUS ACCOUNT
Year Ended Dec. 31, 1928

Net earnings	$174,256
Depreciation	26,508
	147,748
Less appropriations:	
Preferred div. No. 1	10,412
Preferred div. No. 2	11,375
Surplus for year	125,961

Market Record—

	*1929 H	*1929 L	1918 H	1918 L
Preferred	94½	92½	94	94

*To Sept. 12.

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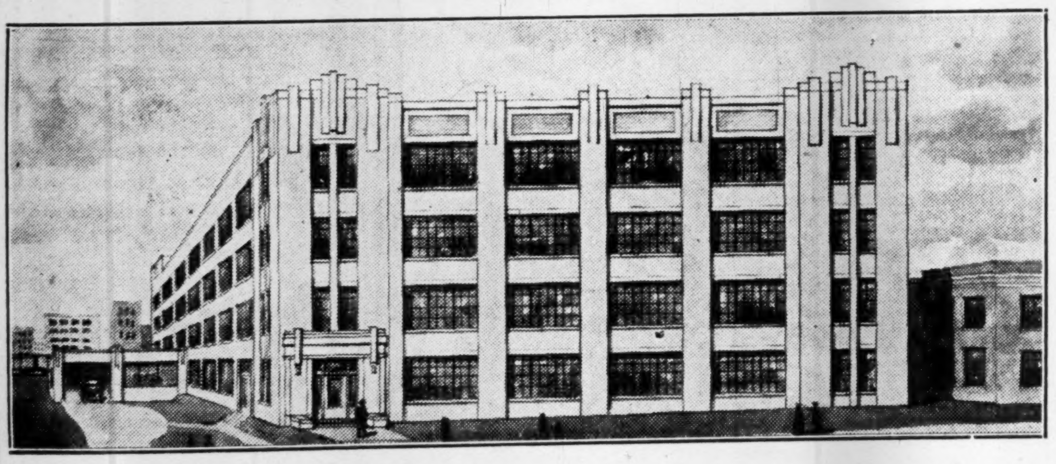

New plant of the Canadian Pad & Paper Co. (Private railway siding on left of picture.)

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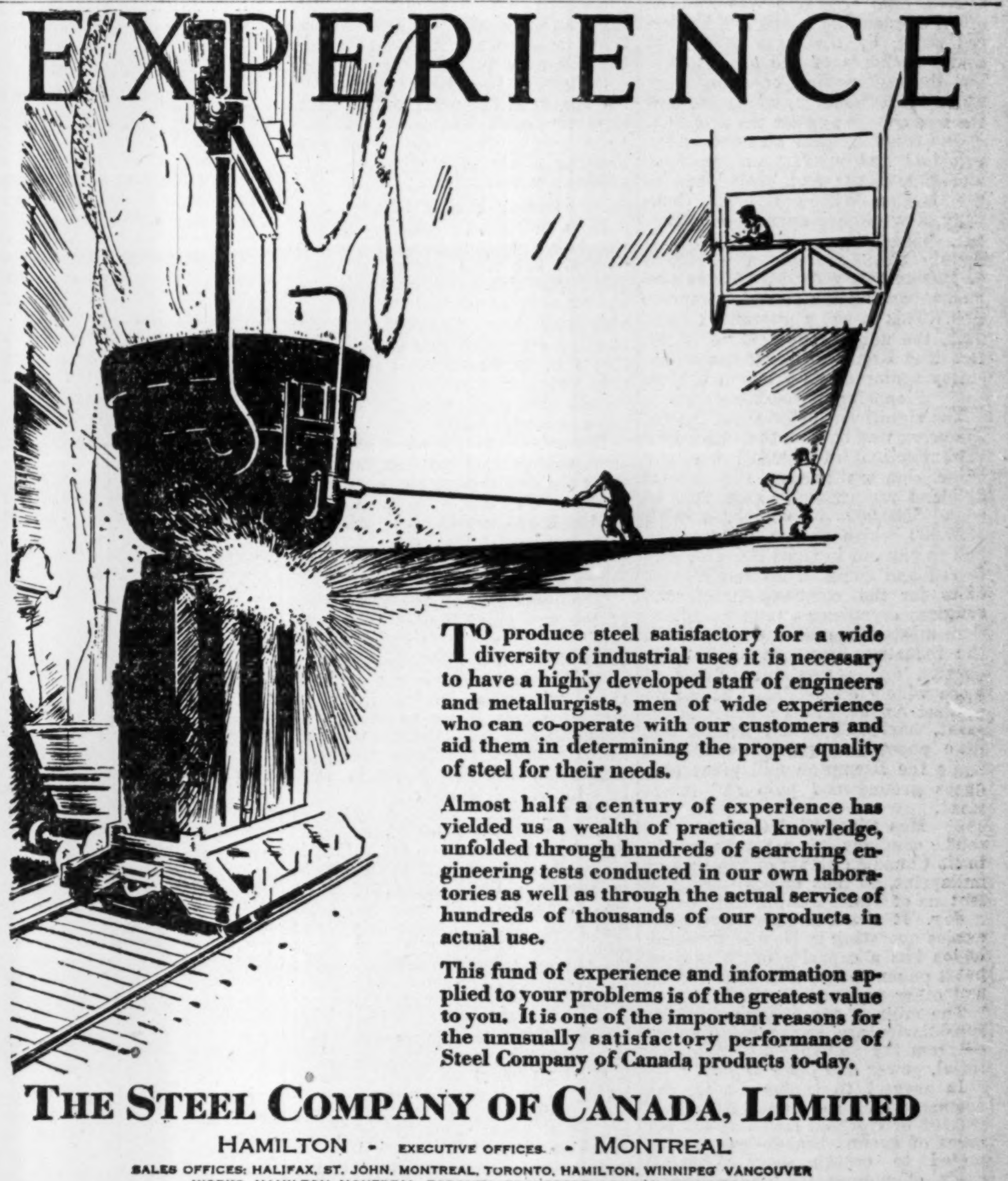

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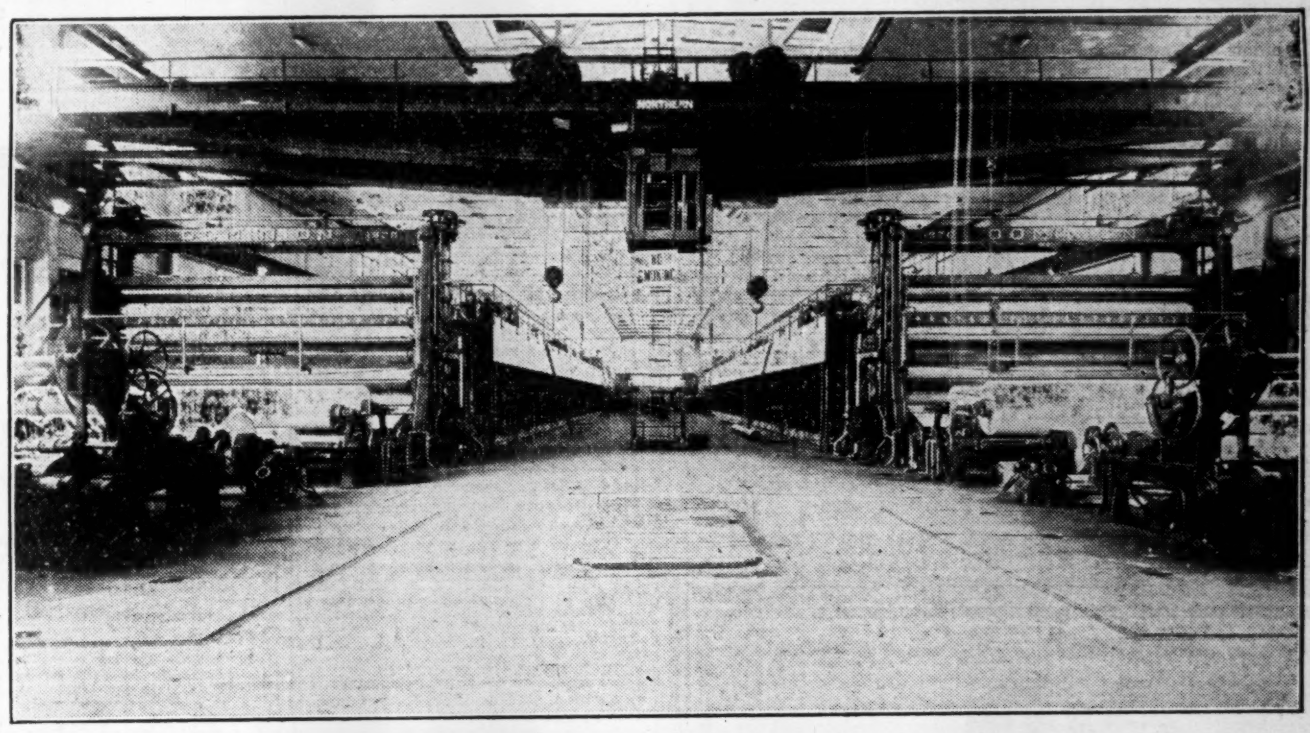

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Brompton Pulp

Diversity of Output Makes for Stability of Earnings—Market Position of Stock Warrants Higher Price—New Directors Lend Strength to Board

The stock of the Brompton Pulp and Paper Company is one of the more interesting securities in the pulp and paper group. In some respects investment interest in this company has not been as pronounced as it might be, but on the other hand there are certain factors which make the outlook for the stock promising.

To get an accurate picture of the current situation, it is necessary to go back to May, 1928, when a capital reorganization took place. Brompton's capital structure was relieved of all outstanding bonds and preferred stock, by the issue of 150,000 common shares of $50 each, bringing the outstanding common stock up to 300,000 shares, which are now the sole charge against the property.

The company still guarantees the principal and interest on the first mortgage bonds and bank loans of the McCrea-Wilson Lumber Company, a subsidiary operating in Quebec. These items amount to approximately $1,081,000 and a mortgage on this company for $190,500 is also guaranteed by the parent organization. This is but a guarantee, however, the noteworthy feature is the fact that Brompton itself has no security senior to its common shares.

Financing Saves Money

The significant point about the refinancing was that on the entire new capitalization of 300,000 no par value common shares, the annual dividend requirements amounted to some $600,000 as compared with $920,000 which formerly Brompton had to pay out in fixed charges, preferred and common dividends.

As for the company itself, the company occupies a stronger position than most of the other companies in the industry, inasmuch as its production and consequent income is more widely diversified. The plants at East Angus, P. Q., produce newsprint, boxboard, kraft, manila and fibre paper and groundwood pulp, while the Brompton mill plant produces groundwood pulp and newsprint.

Has Diversified Output

The company has a total capacity in its Canadian plants of 225 tons of newsprint, 55 tons of boxboard, and 25 tons of kraft, manila, fibre paper a day. It also has subsidiary companies operating in New Hampshire, which has a capacity of 70 tons of kraft paper and 85 tons of fine bond and other papers a day.

The mills of the company and its subsidiaries are strategically located from the standpoint of raw material, power and labor supply.

In respect to timber limits, the company and its subsidiaries own 282,102 of freehold land and 633,757 acres of ground timber leases, estimated to contain over 5,900,000 cords of pulpwood. The company has practically the exclusive use for logging purposes of the St. Frances River above the location of the company's mill to its head waters. This facilitates logging operations and transporting timber cut by the company or purchased from.

Stability of Earnings

The diversity of the company's output was one of the satisfactory features of the stock from an investment angle. It is understood that of earnings reported for last year, less than 50 per cent was derived from newsprint, the balance coming from the other well diversified products of the company. This is a factor of considerable importance when one considers the earning power of this company in relation to other organizations in the industry, which are wholly or largely dependent upon newsprint for revenue.

Another point of major importance to consider when appraising the investment merits of Brompton's stock, is the fact that when the refinancing was carried out last year, the offering was made at a particularly bad time, with the result that Dominion Securities Corporation was obligated to take up the entire issue of 150,000 shares at $53 a share. Since that time the stock has not come back to a point where this investment banking house could dispose of its holdings without loss.

Floating Supply Limited

It is not known whether any of this block of stock has come on the market, but it is generally understood that this block, or one-half of the total issue of common stock, is still tied up. Consequently, the floating supply of this stock is limited and, furthermore, it is reasonably certain that efforts will be made to put this stock over the offering price, namely, $53.

Brompton's position has been further strengthened by the fact that since the entrance of the investment bankers, directors have been placed on the board, which closely link up this company with Lake St. John Power and Paper and St. Lawrence Paper Mills.

The inclusion on the new board of the two chief figures behind St. Lawrence Paper Mills and Lake St. John Power and Paper Company, it is said, augurs a merger of these three properties. In time, such a merger seems likely to become an accomplished fact, but for the immediate future the three newsprint properties will likely retain their own individual identity.

At its current market value of less than 50, the stock of Brompton does not appear to be over valued in view of the fact that the company is paying a dividend of $2, which was earned by a comfortable margin last year. It was during this period that many of the pulp and paper companies showed a sharp decline in earnings, and in some cases necessitated the passing of dividends.

Though newsprint values are lower this year, it is expected that Brompton will be able to bring forth a good financial statement, largely owing to its diversified line of products, which, as in the past, has proved of great value in stabilizing earnings.

Capitalization—	Authorized	Outstanding
*Common (n.p.v.)	500,000 shs.	300,000 shs.

*Common stock changed in 1920 from 70,000 shares, par $100, to 210,000 shares, no par value; authorization increased in May, 1928, to 500,000 shares, and shareholders offered special rights to new issue on basis of 1 new share for each share held.

Preferred stock called for redemption July, 1928, at $133.50 and dividends.

Funded Debt— None.

Dividend Record—

Preferred—8 per cent per annum, paid quarterly, regularly to Nov., 1921; none thereafter until 1923, when all arrears were paid up; paid quarterly since.

Common—$2 per annum, payable quarterly, Jan., Apr., July and Oct. 15.

Officers and Directors—

Officers—J. A. Bothwell, pres.; R. W. Steele, vice-pres.; R. E. Meagher, sec.; J. E. Palmer, treas.

Directors—J. A. Bothwell, East Angus, Que.; R. W. Steele, C. G. Greenshields, Ernest Rossiter, Montreal; J. E. McCrea, Sherbrooke, Que.; G. R. Cottrelle, A. F. White, Toronto.

INCOME AND SURPLUS ACCOUNT, YEARS ENDING DEC. 31

	1928 $	1927 $	1926 $	1925 $	1924 $	1923 $
Net earnings	1,655,396	1,545,131	1,240,954	1,321,065	1,128,582	1,802,163
Less depreciation	585,865	571,699	252,000	255,000	255,000	326,418
Bond interest	263,147	292,352	321,440	299,359	288,572	303,134
Net profits	806,384	681,000	667,514	766,706	585,010	1,172,611
Pref. dividends	101,482	156,950	177,500	177,500	177,500	337,500
Common dividends	375,000	280,000	70,000	......	......	......
Inventory account	......	......	......	55,121	......	......
Surplus for year	329,902	244,130	420,014	534,085	407,510	835,111
Add prev. surplus	2,083,804	5,578,751	5,158,737	4,624,652	4,217,142	3,382,031
Deduct adjustments	*915,081	†4,127,461	......	......	......	......
Bal. carried forward	1,498,625	1,695,420	5,579,737	5,158,737	4,624,652	4,217,142
Times Interest Earned	4.06	3.32	3.07	3.56	3.03	4.86
Dividend Record and Earnings on Capital Stock—						
Preferred: Earned	...	36.23	32.50	37.46	28.38	57.75
Paid	8	8	8	8	8	8
Common: Earned	2.35	3.75	3.50	4.21	2.91	7.11
Paid	2.00	2.00	1	...	...	...

† Including investments sold, bond discount written off, and items applicable to previous periods. * Prem. on redeemed bonds and pref.

Market Record—

	Common High	Common Low
1916	79	43
1917	58¼	38
1918	63¼	41¾
1919	87	55
1920	170	42¼
1921	59	13½
1922	40	15
1923	43¾	33⅞
1924	43	26½
1925	32½	18
1926	38⅜	36
1927	64	31
1928	71	32
1929 (to Sept. 12)	49	34

Canadian Paperboard and Northern Paperboard

New Toronto Mill Gives Company Adequate Tonnage

Difficulties arising out of bringing the company's new Toronto mill into operation, affected earnings of the Canadian Paperboard Company for the year ended March 31, 1929. The new Toronto mill was first turned over in the early part of 1928 but it was only towards the end of the fiscal year that it began to produce paper at the anticipated rate and with the expected economies. In the intervening period the company met with high operating costs, and in order to give the Toronto mill a better chance, the Campbellford Mill was closed down on October 31, 1928.

Though there are some problems in regard to the marketing of the company's increased tonnage, these are expected to be straightened out in due course and the company is of the opinion that all three mills will be busy for the greater part of the current year.

Prices Are Lower

There was some falling off in price of the company's products during the latter half of the year, which, together with the increased cost of operation, had its effect in lowering the company's profits for the year.

The Canadian Paperboard Company is a subsidiary of and is controlled by the Northern Paperboard Company, which is a Dominion company owning all the outstanding capital stock of the Tidewater Paperboard Company. The Tidewater Paper Company operates a paperboard and container board mill at Norwich, Conn. More than 80 per cent of the common stock of the company is held by the Northern Paperboard Company.

The Tidewater Company is inoperative.

Controls Own Power

Canadian Paperboard directly controls the Quinte and Trent Valley Power Company, which supplies power and steam to the parent company and municipalities. In turn the Quinte and Trent Valley owns the capital stock of the Frankford Electric Company. This company owns and operates power and steam plants at Frankford and Campbellford with an installed capacity of 6,000 horsepower and has recently installed a new plant to supply the needs of the Canadian Paperboard Company at Toronto.

In time it is expected that the Northern Paperboard Company will be wound up, as it performs no worthwhile function.

Canadian Paperboard's record over a number of years has been satisfactory. Gross sales and net income have increased steadily. It is further expected that when the new Toronto plant is operating to capacity, that sales will show further gains.

At present the company owns a plant at Montreal with a daily capacity of 45 tons of paperboard a day; one at Frankford with a capacit of 45 tons paperboard and 20 tons groundwood pulp a day; one at Campbellford with a capacity of 30 tons per day; and the new Toronto plant with a capacity of 100 tons a day, making a total daily capacity of the four plants of 220 tons of paperboard.

One of the features of Canadian Paperboard is the fact that over 85 per cent of the raw material used in the plant is waste paper; the remainder consists of groundwood pulp. Paperboard is made by a process similar to that of paper, but the pulp runs more slowly through the machines and a thicker product is the result.

Outlook is Promising

Outlook for Canadian Paperboard Company is promising. While the fiscal results for the past year may have been a trifle disappointing to some shareholders, the point should not be overlooked that the new Toronto plant is in line with sound economic expansion and that the increased facilities afforded through this new addition, will have a material and beneficial effect upon the company's earning power.

The consumption of paperboard in Canada is increasing steadily, though in comparison with that of the United States, it is still a long way from reaching a saturation point. Through its long connection with the Canadian paperboard industry, the company has established a sound name for its products and has built up a large clientele.

Competition in the last few years has grown keener with the establishment of new plants and expansion of old units. However, Canadian Paperboard has been able to hold its own and will undoubtedly continue to make headway in the years to come.

From an investment angle the most satisfactory point about the company establishing itself in Toronto is the fact that to obtain a market for the output of the new 100 ton machine, Canadian Paperboard does not have to compete for business now going to the Canadian mills. The increased output will largely supplant paperboard hitherto imported and will not tend to decrease the current price of paperboard in Canada. In the past, the company has not been able to meet the demand for its production and this extension is justified.

NORTHERN PAPERBOARD

Capitalization—	Authorized	Outstanding
Common (No-par value).	70,000 shs.	23,227 shs.
Preferred 7%	$3,000,000	$1,161,000

Company—Owns over 80 per cent of common stock of Canadian Paperboard Co., and all outstanding stock of Tidewater Paperboard Co., of Norwich, Conn.

Officers and Directors—

Officers—J. G. K. Kerry, pres.; Chas. E. Whitten, sec.-treas.

Directors—J. G. G. Kerry, C. A. Morris, Toronto; S. Johnston, John Kerry, D. F. Robertson, S. Bruneau, Chas. E. Whitten, Montreal.

CANADIAN PAPERBOARD

Capitalization—	Authorized	Outstanding
Com. ($100 par)	$4,000,000	$2,100,500
Pref. 7% cum. ($100 par)	1,000,000	402,500

Funded Debt—

7% first mortgage sinking fund bonds, due 1937; outstanding $1,260,000.

Dividend Record—

Preferred—7% per annum payable quarterly, Jan., Apr., July and Oct. 1. First dividend paid July 1, 1926, and quarterly thereafter.

Common—Initial dividend of 3% paid Oct. 1924; 2%, 1925; 2%, 1926; 1%, 1927; ½ of 1%, 1928.

Officers—J. G. G. Kerry, pres.; J. R. Walker, vice-pres.; C. E. Whitten, sec.-treas.; D. F. Robertson, gen. man.

Directors — J. G. Kerry, Toronto; J. R. Walker, John Kerry, D. F. Robertson, Stanley Johnston, Montreal.

INCOME AND SURPLUS ACCOUNT
Years Ending March 31

	1929 $	1928 $	1927 $
Gross sales	1,950,747	1,777,014	1,678,775
Cost of goods	1,694,927	1,489,188	1,446,670
Net earnings	255,820	287,826	232,106
Other income	33,308	23,435	15,220
Total	289,128	311,261	247,326
Deduct:			
Salaries and sun. exp.	115,040	113,234	108,639
Bond int. Disc. & taxes	88,130	62,954	60,965
Deprec.	40,000	40,000	40,000
Net profits—	45,958	95,073	37,721
Pref. div.	25,637	23,931	21,437
Com. div.	....	31,507	42,010
Surp. for yr.	20,321	39,635	†25,726
Add previous surplus	103,808	64,173	89,899
Less adj.	19,455	......	......
Bal. car. fwd.	104,674	103,808	64,173

QUINTE & TRENT VALLEY POWER CO.
(Subsidiary of Canadian Paperboard)

Capitalization—	Authorized	Issued
Common (n.p.v.)	10,000 shs.	5,006 shs.
Pref., 7% cum. ($100 par)	$500,000	$350,000

(All owned by Canadian Paperboard Co.)

Funded Debt—

6% first mortgage, sinking fund bonds, series A, due 1955; authorized $1,000,000; outstanding, $614,800.

Dividend Record—

Preferred—7% per annum, payable quarterly Jan., Apr., July and Oct. 1. Initial dividend Jan. 1, 1927.

Common—$1 per share paid during fiscal year ended Dec. 31, 1927. None paid in 1928.

Officers—J. G. G. Kerry, pres.; C. E. Whitten, sec.-treas

Directors—J G. G. Kerry, H. R. McClymont, Toronto; John Kerry, C. E. Whitten, S. Johnston, Montreal.

INCOME AND SURPLUS ACCOUNT
Years Ended Dec. 31

	1928 $	1927 $
Net earn. from oper.	65,469	60,354
Less: Depreciation	7,500	6,000
Bond interest	27,616	23,820
Taxes	2,283	......
Net earnings	28,070	30,534
Less appropriations:		
Pref. dividends	24,500	22,750
Com. dividends	......	5,006
Surplus	3,570	2,778

Anglo-Canadian

Big Rothermere Plant Works at High State of Efficiency

Though only commencing operations on December 1, 1927, Anglo-Canadian Pulp and Paper Mills Limited produced in 1928 a maximum daily tonnage of 512 tons, while average production amounted to 485 tons of paper per day throughout the year. Since then production has been maintained on a good basis, though this company, in common with others in the newsprint field, has had its production affected by the unsettlement in the industry.

This enterprise is sponsored by the Rothermere interests of England. Much of the financing was carried out in that country, though some of the securities are held in Canada and the United States. Over $11,500,000 was placed in a plant with a 500 tons capacity per day. The company has four machines in all, each with a capacity of 125 tons per day.

Ships to England

Anglo-Canadian's production goes largely to England, where it is used by the Rothermere papers. There is a substantial proportion, however, which finds its way to the United States in competition with other eastern Canadian mills. In view of the fact that certain contracts with the Hearst organization had to be readjusted, as a result of the new agreement between the newsprint producers whereby it was mutually agreed to restrict output and set the selling cost of the paper f.o.b. mill at $55.20, it would be of interest to know just how this company was affected. But as the company does not publish an annual report, there is no way of getting accurate information on this point.

The company holds a contract with some of the Rothermere papers whereby the British newspaper companies have an option of purchasing annually 41,600 tons of paper, at $15 a ton over the cost price to the company. This represents about four months production, and the earning power of the company would be dependent upon the basis of selling price for the remainder of the output.

Timber limits of Anglo-Canadian are situated on the Manicouagan River, and cover an area of some 2,237 square miles. They are leased by the company from the Quebec Government and are estimated to contain 8,000,000 cords of pulpwood; also timber limits estimated to contain 2,500,000 cords of pulpwood are situated on the Montmorency River, near Quebec City.

The power supply for the company's mill at Quebec City has been contracted with the Shawinigan Water and Power Company for a period of 25 years, starting in 1927, with option of renewal for a further 25 years.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	135,000	135,000
Pref. 7 per cent ($100 par)	$8,000,000	$8,000,000

Funded Debt—

6½ per cent first mortgage guaranteed debentures, due 1956; outstanding £3,000,000.

Dividend Record—

Preferred, 7 per cent, cumulative from Oct. 1, 1929, payable April and Oct. 1.

Officers and Directors—

Viscount Rothermere, pres.; F. W. Clarke, vice-pres.; G. H. Bridge, sec.-treas.; Hon. E. Harmsworth, London, Eng.; Sir H. Holt, Hon. Smeaton White, Montreal; Sir C. Fitzpatrick, R. C. McMichael, J. Cowley, E. A. Sursham, F. J. Humphrey, R. A. McInnis, W. J. Clarke, J. D. Gilmour, F. G. Bush.

Bathurst Power

Second Newsprint Machine Installed This Year—Timber Resources and Water Powers Permit Greatly Increased Capacity

Bathurst Power and Paper Company's securities still represent a long hold investment, though over the past year the position of the company has been strengthened.

Since the beginning of the year Bathurst has increased its newsprint capacity by the installation of a second machine of 65 tons daily capacity, bringing the aggregate up to 130 tons.

Furthermore, the company has been steadily developing its hydro power resources to meet the increasing needs of its plants. To this end, a third unit of 5,000 h.p. was installed, bringing the total installation up to 15,000 h.p. This should prove helpful to the pulp manufacturing department, which has a rating of 75 tons of kraft pulp and 65 tons of sulphite pulp daily.

The situation surrounding Bathurst Power and Paper is somewhat indefinite. It will be recalled that this company was formed early in 1928 to take over a company of a similar name which had a successful record of many years standing.

At the time 400,000 shares of Class "A" stock, with a bonus of "B" shares, was offered to the public. In addition to ordinary corporate needs, proceeds from this stock's sale were used to install the second newsprint machine.

The additional newsprint capacity does not improve the situation at the moment. The unsettlement of the newsprint market has affected Bathurst, as well as every other newsprint operator. The company undoubtedly has very large and valuable assets, but due to the present situation in the newsprint market, it may be some time before it can realize in earnings a revenue comparable to its investment in timber lands and power sites.

Another point to consider when judging merits of Bathurst securities is the outside concerns interested in this company. International Paper Company directs the operations of Bathurst and, further, it is understood that some of the other large newsprint producers have an interest in this company.

Development of Bathurst resources will be along sound lines, but it is not likely that the interests in control of this company will allow development on a scale which would not be fully warranted by the current newsprint and pulp market situation. Therefore, the shares of Bathurst should be considered in the light of a long hold.

With its vast resources, Bathurst presents certain attractions for the investor, who is content to wait for normal developments. In its timber limits, covering some 2,625 square miles in New Brunswick and Quebec, and estimated to contain over 18,000,000 cords of pulpwood, the company has an asset of importance and considerable value.

The present capacity of the company's mills assures that it will be many years before any heavy inroads are made on the timber reserves. Furthermore, it assures the company of an adequate timber supply, in the event that it decides to install additional equipment. In this respect, Bathurst Power and Paper is probably in as strong, if not stronger, position than any of the other pulp and paper operators in the Dominion.

The hydro power resources of the company are worthy of consideration. The company controls power sites with a potential development of 50,000 h.p. Early in 1928, certain bills were passed by the New Brunswick Legislature which revealed the fact that it is apparently the intention of Bathurst Power to spend a large sum of money within the next two years on developing its power resources. Up to date the company has installed only 15,000 h.p. When the company completes its hydro power programme, it will have a development of some 40,000 h.p., which should be instrumental in lowering Bathurst's operating costs.

Capitalization—	Authorized	Issued
Common (n.p.v.)		
Class A	750,000 shs.	400,000 shs.
Class B	500,000 shs.	300,000 shs.

Funded Debt—None.

Dividends—

Class A—$2 per annum in preference to Class B. Any dividends earned beyond the $2 are distributed equally with Class B, share for share, but Class A is limited to a total of $4 per annum, all additional dividends being paid to Class B. Initial dividend of 25c. per share on class "A" shares was paid in Mar., 1929.

Officers and Directors—

Brig.-Gen. J. B. White, pres.; A. E. McLean, vice-pres.; G. H. Montgomery, K.C.; A. J. Nesbit, P. A. Thomson, J. B. Woodyatt, Montreal; H. J. Webb, treas.; G. A. Schryer, asst. treas.; S. B. Bond, sec.

Income and Surplus Account
Year Ended Dec. 31, 1928

Net earnings*	$411,782
Less appropriations:	
Int. on bonds (now redeemed)	56,568
Other int. and disct.	15,511
Depreciation	200,000
Organization expense	12,956
Prov. for bad accts.	5,000
Profit (before inc. tax)	121,747

* After deducting all operating, selling and management expenses and after making provision for depletion of timber limits at the rate of $1 per cord on wood cut.

Brown Corporation
(A Canadian Corporation)

THE holdings of this corporation comprise a pulp-making plant with a daily capacity of 300 tons of sulphate pulp, and chemical works for utilization of all waste, representing a cash investment of $18,000,000.

Water-power (developed and undeveloped), 140,000 h.p. The corporation's timber lands comprise approximately:

1,000,000 acres in fee simple.
2,300,000 acres in timber leases.
160,000 acres in stumpage.

With an estimated total of over 13,000,000 cords of pulpwood, the corporation has practically an unlimited supply of raw material.

The Brown Corporation markets most of its tonnage to the parent company, Brown Company, Portland, Maine, the largest manufacturer of Bleached Sulphite and Kraft Paper in the United States.

— Capital —
Common - $12,500,000

Principal Offices:
71 St. Peter Street - - QUEBEC, P.Q.
Mills at LA TUQUE, P.Q.
Sales Office: 509 New Birks Bldg., Montreal, P.Q.

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(QUEBEC)
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Buying-habits in Quebec City District, as elsewhere, are powerfully influenced by a group of men and women whose judgment, taste and buying-preferences have established them, whatever their place in the financial scale, as leaders in their community.

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Because the Quebec CHRONICLE-TELEGRAPH is the outstanding newspaper in its field, it is read not only by those who speak English exclusively, and by English who also speak French, but also by the leading representatives of that every-growing body of French people who speak English with much the same facility as they do their native tongue.

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Quebec, P.Q. ◆

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GENERAL SALES OFFICE:
NORTHERN ONTARIO BUILDING
TORONTO, ONT.
101

Paperboard Industry

Rapid Increase in Production Outstrips Demand—Arrangements Made to Put Competition on More Equitable Basis—General Outlook Promising

Both production and demand for paperboard have increased steadily, but keen competition for new business has created somewhat of an unsettlement in this branch of the pulp and paper industry. A number of the companies engaged in this business have lately carried out public financing and have enlarged the capacities of their plants. As a result the supply has for the moment exceeded demand, with the result that prices have been affected adversely through the desire of the companies to obtain business for their new machines.

The situation has not got out of hand, however, and at a meeting of paperboard interests held in Montreal lately, arrangements were entered into eliminating many of the unsatisfactory features which have developed in the trade over the past few months.

Domestic Needs Expand

It is noticeable that within the past three or four years, the needs of the domestic market have been expanding, with the result that the Canadian paperboard companies have been able to market a larger percentage of their output within the Dominion. The export market has been rather satisfactory and though the value of such shipments has not increased at the same rate as newsprint, for example, the situation as a whole indicates that the industry is on a sound economic basis.

The paperboard companies, in any event, are not dependent for earnings on exports. Canadian paperboard is not sold in the United States market, owing to the high tariff walls and what is exported moves overseas. As far as investing in any of the paperboard companies is concerned, it is the state of the domestic market for paperboard which affects the value of stock holdings.

Imports are Substantial

Canada imports no inconsiderable quantity of paperboard; these imports provide competition for the domestic mills. But Canadian producers are rounding out their line of production and there is every reason to expect the domestic consumption to increase much beyond the present level. The use of paperboard for cartons in the distribution of cigarettes, eggs, and other products, is constantly growing. Furthermore, some indication of what the future may hold for the Canadian paperboard producers may be judged by the fact that the Canadian per capita consumption of paperboard is about half that of the United States.

At the moment, the outlook for the future of the Canadian paperboard companies is particularly promising. Much depends, of course, upon business conditions. Over the next decade it is reasonable to assume that Canadian business will make even greater strides than in the past decade, and in view of that fact, it is reasonable to assume that the paperboard companies will experience a wider demand for their products.

Pulp Replaced Rags

Paper was first made in Canada about 100 years ago, but prior to 1860 no wood pulp was used in its manufacture, rags being the chief raw material.

St. Regis Paper

Still Delay Building of Newsprint Mill in Quebec

Plans of the St. Regis Paper Company of Canada Limited for the construction of a 400-ton daily capacity newsprint at Cap Rouge, near Quebec City, have not as yet materialized. Over a year ago the company was ready to go ahead with its programme of development, but owing to the then unsettlement in the newsprint market, it was decided not to proceed with the plans. As the situation has not improved sufficiently toward the construction of the mills, plans are held in abeyance.

The company has secured a commutation of taxes on the site of the projected mill for a period of 15 years.

Carry on Logging

At present the company is engaged in pulpwood logging operations on its properties, which are estimated to contain 2,500,000 cords of pulpwood. The output is taken on contract by the parent company, St. Regis Paper Company, which operates various power, pulp and paper properties in United States.

Investment interest in the St. Regis Paper Company of Canada is negligible. There are 100,000 shares of no par value common stock outstanding, of which 98 per cent is owned by the parent company. The 8 per cent cumulative preferred stock was called for redemption on June 1 last year.

Change Capital Structure

Shareholders of St. Regis Paper Company have been asked to approve the directors' recommendation that the authorized 1,000,000 shares of no par value common stock to be changed to 4,000,000 shares at $10 par equivalent to a four for one split of the stock. In addition the authorized amount of common stock is to be increased to 7,500,000 shares and the voting power of four votes per share given on the preferred stock.

Furthermore, the company proposes to offer to common stockholders on record September 20, rights to subscribe to an aggregate of 800,000 shares of common stock at $25 a share, being at the rate of one new share for each four shares held. Rights to expire on October 21.

Proceeds from the sale of the additional common stock are to be used for retiring indebtedness incurred in connection with the acquisition of the Bates Valve Bag Corporation and the balance for added working capital.

All of the 800,000 shares of common stock not subscribed for by holders of warrants have been subscribed for by F. L. Carlisle and Company.

It is doubtful if the St. Regis Company will go ahead with its plans for the establishment of a newsprint mill for another year or more. Apparently the parent company is satisfied to continue the operation of the logging plant at Godbout, P.Q., which has an annual capacity of over 100,000 cords.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	100,000 shs.	100,000 shs.

98 per cent of the common stock is owned by the parent company.

Bonded Indebtedness—

6½ per cent serial debenture notes, authorized, $1,500,000; outstanding, $1,200,000.

Officers—

F. L. Carlisle, pres.; C. B. Martin, sec.-treas.; F. A. Rogers, asst. treas.

Retirement Authorized—

The parent company offered to its shareholders of record November 20, 1928, the right to subscribe, at $75 a share, to 150,000 shares of the unissued stocks and authorized the use of the proceeds for any of the following purposes: Retirement of St. Regis Paper 6 per cent debentures, due 1931; retirement of St. Regis Paper Co. of Canada, Ltd., 6½ per cent debentures, due 1929-34 (above); the total of these two issues being $5,733,500; acquisition of additional shares of Northeastern Power Corp., consisting of 1,490,680 shares; expansion of manufacturing business of the company and subsidiaries.

Belgo-Canadian

Prior Rights of Company's Securities Marked Feature

Canada Power and Paper Corporation, through ownership of all the common stock of the St. Maurice Valley Corporation, controls Belgo-Canadian Paper Company. Accordingly, investment interest in this organization is confined to the bonds and preferred stock issues.

The business and properties of Belgo are leased and operated by the parent corporation. Under the terms of the lease, the St. Maurice Valley Corporation undertakes to pay interest and fixed charges on Belgo bonds and dividends on Belgo preferred. The preferred dividends, therefore, of Belgo are really an obligation of the Canada Power and Paper Corporation. Belgo Canadian preferred dividends are dependent not only on the earning power of the mill but also are the more secure through the lease of the property to the parent company, which in reality is the Canada Power and Paper Corporation.

Operating Status Good

Belgo obtains its power at low cost; it is supplied with a large block of hydraulic power from the Shawinigan Water and Power Company. This was purchased when Shawinigan was first completing its development at Shawinigan Falls. It is estimated that the company at the end of 40 years will have 80 per cent of the timber resources of which it owns today. Its timber resources contain about 40 years' wood supply and allowing for re-growth, it is estimated that at the end of that time the timber will show only a 20 per cent decrease.

The preferred dividends of Belgo are an underlying obligation of the St. Maurice Valley Corporation and the Canada Power and Paper Corporation and under the St. Maurice Company's bond issue, which, while it is secured by a mortgage on the Three Rivers plant, is also secured by virtually all the common shares of the Belgo-Canadian Company.

Operate Eight Machines

The bonds of Belgo are amply secured. The Belgo mills have a long record with successful operation behind them and are regarded as low cost producers. The capacity of the mill is 600 tons of newsprint a day. There are eight newsprint machines in the mill. The limits are estimated to contain 6,000,000 cords of pulpwood.

Belgo's earnings are not published separately but are consolidated with those of the parent organization.

Capitalization—	Authorized	Issued
*Common ($100 par)	$8,500,000	$8,500,000
Pref. 7% cum., red. ($100 par)	5,000,000	5,000,000

*Over 99½ per cent owned by St. Maurice Valley Corp., which is controlled by Canada Power & Paper Corp.

Funded Debt—

6 per cent first mortgage sinking fund bonds, due 1943; outstanding, $8,980,000.

Dividends—

Preferred, 7 per cent per annum, payable quarterly, Jan., April, July and Oct. 1-Common 6 per cent per annum, passed since April, 1928.

OFFICERS AND DIRECTORS

Officers—G. M. McKee, pres.; A. Cross, vice-pres.; G. W. Hodgson, sec.-treas.; J. W. Hodgson, R. W. Louthood and J. E. Ward, sec.-treasurers.

Directors—Geo. Chahoon, Jr., A. Cross, G. M. McKee, G. H. Montgomery and F. A. Sabatton.

Production—

Properties include 6 newsprint machines with annual capacity of 120,000 tons of newsprint paper.

Market Record—

	*1929		1928		1927	
	H	L	H	L	H	L
Pref.	107	100	110	95	110	101

*To Sept. 12.

Pulp and Paper Industry Active in British Columbia

From Our Own Correspondent

MONTREAL.—Powell River Company is said to be planning a new unit which will give the combined mills of the company a daily capacity of 1,000 tons of newsprint, as against the present capacity of 475 tons. Plans are conditional on the company being granted power rights at Lois River, Gordon Pasha Lake, near Stillwater.

The construction work being carried out by Pacific Mills, at its Ocean Falls Plant, will be completed this fall. The company is a subsidiary of the Crown Willamette Pulp and Paper Company, of Oregon, U.S.A.

A Service for Investors in Paper Stocks

WE invite inquiries from investors interested in the pulp and paper industry and its securities. Our identification in the past with pulp and paper financing, together with the facilities of our statistical department, enables us to supply accurate and up-to-date information. Orders for the purchase or sale of pulp and paper securities are assured of prompt despatch through our widespread system of branch offices and private wires and our memberships on leading exchanges.

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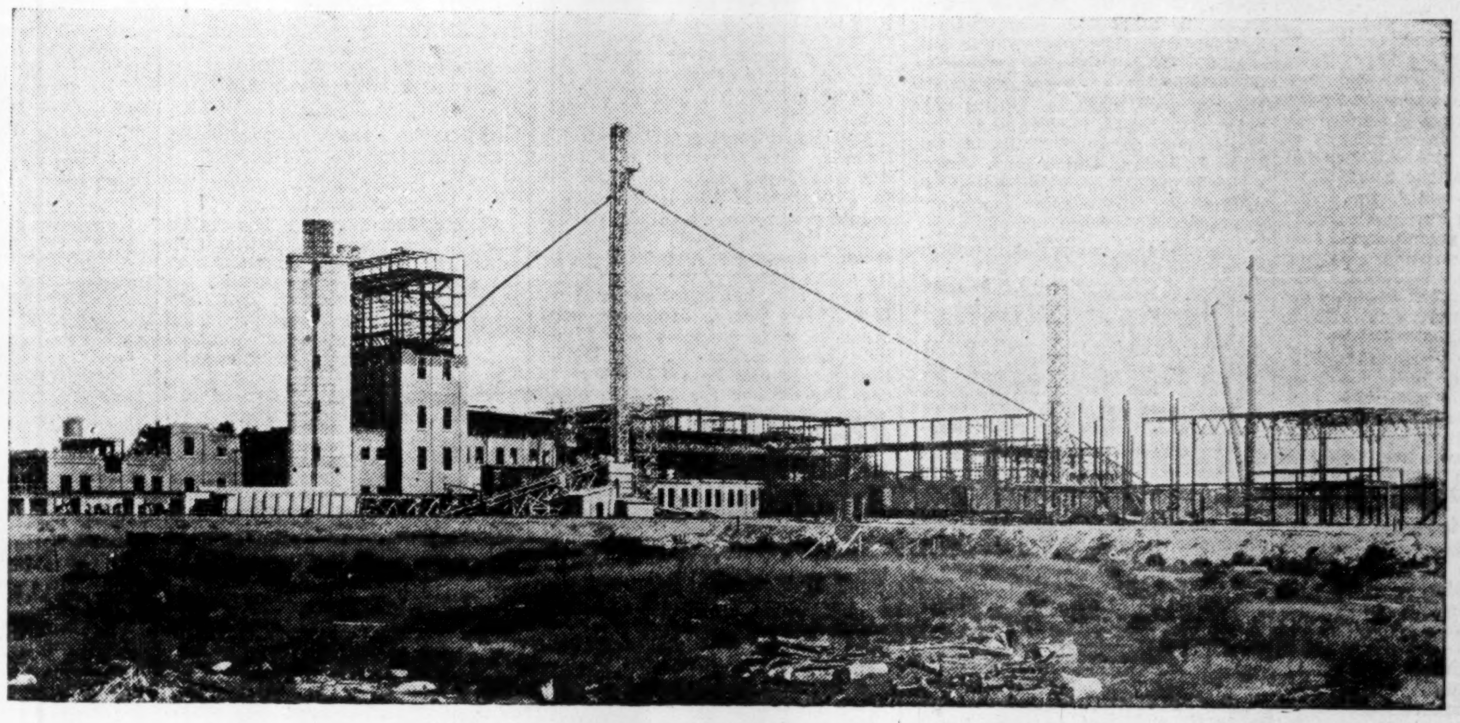
Dominion Foundries and Steel, Limited
HAMILTON ✣ ✣ ONTARIO



View of The James MacLaren Company's new mill — now under construction

Utilizing Canada's Forest and Hydro Power Resources

Salient Features

Power Development
at High Falls—
120,000 H.P.
Initial Installation
90,000 H.P.

Storage Reservoir
at Cedar Rapids—
25,000,000,000 Cu. Ft.

Pulp and Paper Plant
at Buckingham—
250 Tons Daily

Pulpwood Limits
2,800 Sq. Miles

THE LIEVRE VALLEY is now the scene of one of the largest paper and power developments in Eastern Canada. The James MacLaren Company has begun work on both a power scheme and the expansion of the pulp and paper plant. Present plans call for a power development at High Falls, 22 miles north of Buckingham, where 120,000 h.p. will be developed; a 25,000,000,000 cubic feet storage reservoir at Cedar Rapids, and a pulp and paper plant at Masson, with a capacity of 250 tons daily. In addition, the company has undeveloped power resources on the Lievre River, between its lumber mills at Buckingham and Masson, aggregating 150,000 h.p.

The power house at High Falls will be equipped with an initial installation of three 30,000 h.p. units, and a provision has been made for a fourth which will be put in at a later date. The water in the Lievre River will be backed up for a distance of 20 miles, but will not affect the surrounding country to any great extent, as for most of the distance the river runs through high banks and the lower land is swampland, which will be transformed into small lakes.

Construction of the power plant will cost approximately $5,000,000; the storage dam at Cedar Rapids, $1,500,000, and the two developments are expected to be completed by the spring of 1930.

The paper mill, when completed, will be equipped with two 234-inch machines with a capacity of 125 tons each of newsprint daily; its construction, together with sulphite mill will cost approximately $6,000,000. The paper mill is expected to be ready for operation late in 1930.

Present operations of The James MacLaren Company are devoted to lumbering, the production of groundwood pulp. The company's groundwood pulp mill at Buckingham has a capacity of 25,000 tons per annum. This mill is being enlarged to supply the groundwood requirements of the newsprint mill. The company has a licensed area of 2,800 square miles, from which pulpwood can be secured at a very low cost.

The James MacLaren Company Limited
Buckingham, P.Q.

Wayagamack Pulp

Strong Earning Power Makes Securities Attractive—Possibility That Organization May be Acquired by One of the Larger Newsprint Producers

Investment interest in Wayagamack Pulp and Paper Company over the past few months, has been given considerable impetus due to the reports that Canada Power and Paper Corporation was negotiating for purchase and also to the reported higher earnings of the company.

Wayagamack is particularly fortunate in its position of having a diversified output, with the result that earnings over the past two or three years have been showing a steady increase. Last year the company was able to report earnings of $7.46 on its common stock and it is understood that for the current year profits are larger.

Dicker For Company

In respect to the report of negotiations between Canada Power and Paper and Wayagamack, the latter occupies a unique position in that it has to offer assets which would be of considerable value to the former.

Over the past eighteen months the position of the Canadian newsprint producers has not been very satisfactory. Both operations and earnings have been curtailed to such an extent, that the general expectation is that earnings on the common stocks of the solely newsprint producers will amount to little or nothing.

It will be recalled that last year Canada Power and Paper Company disposed of its holdings of Laurentide Power to Shawinigan on a basis of $10,800,000 in cash and 72,000 shares of common stock of the Shawinigan Company. Consequently, the liquid position of Canada Power and Paper is exceptionally strong and that company is in a position to swing a deal of some considerable size without the necessity of going to the public for additional capital funds.

With the immediate outlook for newsprint not altogether favorable, Canada Power and Paper has been looking around for additional purchases which would give greater stabilization to its earning power. The most attractive move, would be the taking over of Wayagamack by Canada Power and Paper.

Position is Sound

Wayagamack occupies a somewhat different position to that of the newsprint companies, in that only a portion of its profits comes from the production of newsprint. The daily capacity of its mills is as follows: 240 tons of sulphate pulp, 200 tons of newsprint, 120 tons of kraft wrapping paper.

Due to its sulphate and kraft output, the outlook for the future of the company seems better than that of the newsprint companies. The markets for sulphate kraft are much stronger than those prevailing for other pulp and paper commodities. The investment possibilities of this company, therefore, lie in two directions, namely, increasing and well-established earning power, and the possibilities of a purchase by Canada Power and Paper.

Wayagamack is owned and administered by the same interests which own and operate the Wabassa Cotton Company at Three Rivers. The record of these interests has been favorable, which adds to the investment merits of the stocks.

The corporate history of Wayagamack goes back to 1910 when the company was organized to acquire certain timber limits in the St. Maurice Valley. The pulp and kraft paper mills are operated as one unit, while the newsprint is manufactured by a subsidiary, the Wayagamack News Limited, which operates on properties joining the parent company.

Timber limits are held under Crown license and consist of 1,121 miles in the St. Maurice district, 553 square miles on the Portneuf River. In 1926, in conjunction with Port Alfred and the St. Maurice Valley Corporation, Wayagamack acquired a one-third interest in the Anticosti Corporation, which owns the Island of Anticosti, which is estimated to have some 5,000,000 cords of pulpwood.

Wide Market For Kraft

Wayagamack's wrapping paper is shipped all over the world. About half of its output of paper goes to foreign countries. The surplus production of sulphate pulp, with requirements of its own kraft paper mills, is shipped largely to the United States, where it enters duty free. There is a United States' tariff against wrapping paper. For this reason, Wayagamack's wrapping paper markets are farther removed than its pulp markets. Duties have been established in England, Australia, New Zealand, South Africa, United States, China and Japan, which is indicative of the widespread distribution of the company's products.

Due to the newsprint situation, Wayagamack may not be making much on its subsidiary newsprint undertakings—but its newsprint mill is an important asset which has a bearing on the market value of the shares. In view of the situation surrounding the newsprint industry, also, it may be some time before Wayagamack, like the other newsprint companies, makes much money from its newsprint plant.

Low Cost Producer

In any event, it is said that Wayagamack is a low cost newsprint producer, and a $44 a ton figure has been quoted as the actual cost to the company of making a ton of newsprint. If this figure represents Wayagamack's cost, it is obvious that even under present conditions its wholly owned subsidiary newsprint company should at least make a profit sufficient to build up its own financial position.

The earning power of Wayagamack shows a steady and expansive growth. Between 1922 and 1928, net earnings after taxes increased from $372,030 to $1,330,401. Though earnings on the common stock have fluctuated from time to time, these also have shown a steady increase and the average over the past seven years approximates nearly $8 a share. Consequently, both from a speculative and investment angle, the stock of Wayagamack is one of the most interesting in the paper field. The company is growing steadily, finding a wider market for its products and in other ways generally strengthening its position, to the growing benefit of the common shareholders.

Capitalization—	Authorized	Outstanding
Common (n.p.v)	250,000 shs.	133,333 shs.

Funded Debt—

6% first mortgage sinking fund bonds, due 1951; outstanding, $4,053,700.

6½% geenral mortgage and collateral trust bonds, due 1930; outstanding $1,500,000.

Dividend Record—

$8 per share per annum, payable quarterly, Mar., June, Sept. and Dec. 1.

Officers and Directors—

Officers—C. R. Whitehead, pres. and gen. mgr.; J. W. Pyke, vice-pres.; Geo. Henderson, compt.; D. L. Adams, sec.-treas.; F. I. Ritchie, mgr.

Directors—C. R. Whitehead, Three Rivers, Que.; J. W. Pyke, Hugh Mackay, K.C.; G. H. Duggan, N. J. Dawes, Montreal; Alex. Maclaren, Buckingham, Que.; J. Frater Taylor, London, England.

Executive Committee—J. W. Pyke, chairman; Hugh Mackay, K.C., C. R. Whitehead.

Market Record—	High	Low
1916	112⅛	27
1917	97	50
1918	90	45
1919	90	50
1920	150¼	71
1921	89	27
1922	65½	34
1923	61¼	32
1924	46	32
1925	75	34½
1926	118¼	56
New—		
1926	57¾	52
1927	123½	46¼
1928	127¼	61
1929 (to Sept. 16)	105	65

Production—

Daily capacity of mills: groundwood pulp, 150 tons; sulphate pulp, 240 tons; newsprint, 200 tons, kraft wrapping paper, 120 tons.

WAYAGAMACK NEWS
(Subsidiary of Wayagamack Pulp)

Capitalization—	Authorized	Outstanding
Common	2,000 shs.	2,000 shs.

No par value. (All owned by Wayagamack Pulp and Paper Co.).

Funded Debt—

5%, 15-year guaranteed debenture stock. Authorized and outstanding, £392,300. All guaranteed by parent company.

6½%, 15-year second or general mortgage bonds, due 1950. Authorized and outstanding, $1,500,000. The entire issue is deposited as security for the 6½% general mortgage and collateral trust bonds of the parent company.

INCOME AND SURPLUS ACCOUNT, YEARS ENDED NOV. 30

	1928 $	1927 $	1926 $	1925 $	1924 $	1923 $
Net earnings after tax	1,330,401	1,420,463	1,350,266	1,189,268	677,509	893,496
Less: Depreciation	160,000	160,000	160,000	160,000	160,000	160,000
Depletion	79,054	135,320	136,784	111,542	118,495	217,140
Bond interest	344,870	397,500	397,500	336,811	300,000	300,000
Net operating profit	746,477	727,643	655,982	580,915	99,014	216,356
Add: Profit from other sources	624,902	......	500,000	......	......	......
	1,371,379	727,643	1,155,982	580,915	99,014	216,356
Dividends	300,000	375,000	......	......	......	......
Less appropriations:						
Bond discount	......	......	......	20,000	10,000	10,000
Gen. reserve	600,000	......	500,000	......	......	......
Surplus for year	471,379	352,643	655,982	560,915	89,014	206,356
Add: Previous surplus	2,990,589	2,637,946	1,981,964	†1,421,949	1,108,278	901,922
Balance carried forward	3,461,968	2,990,589	2,637,946	1,981,964	1,197,292	1,108,278
Times Interest Earned**	3.16	2.83	2.65	2.72	1.38	1.72
Dividend Record and Earnings Per Share—						
Common: Earned	$7.46	$7.28	$13.12	$11.62	$1.98	$4.53
Paid	3.00	*3.75	....	....	....	....

† After adjustments. * Initial dividend of 75c for quarter ended Nov. 30, 1926, paid Jan. 3, 1927. ** On net earnings after depreciation and depletion.

Fine Paper Industry

Excellent Business Throughout Dominion Creates Wider Need for Fine Paper—New Machines Installed—Output Gains in All Branches

The fine paper branch of the pulp and paper industry is prosperous. Probably no other branch of the industry is in such healthy condition at present. The greater business activity throughout the Dominion has resulted in a call for more fine paper products. Mills have been kept busy and, in several instances, new machines have been installed.

Canadian fine paper mills depend to a very large extent upon the domestic market for the disposal of their production. While the quality of the products compares favorably with that of any other country, there are certain drawbacks which put the Canadian mills under a handicap in competition for export business.

Domestic Needs Limited

One of the major factors in securing low cost production in papermaking or in any other commodity for that matter is in having volume. The Canadian domestic market, of course, is limited and on that account the Canadian mills have to change over their machines to different qualities and grades of paper to meet the various needs of the domestic market. Accordingly operating costs are high, as compared with those say, of the United States, where machines are frequently permanently employed in turning out only one grade of paper which permits of a very low cost of production.

Fine paper pays a tariff entering Canada. Hence, in their own lines, the fine paper mills are protected to a degree. If the United States should ever remove its tariff on fine paper, the industry in this country would experience expansion which its sister industry, the manufacture of newsprint, has experienced in the last fifteen years. However, there seems to be no chance of any favorable tariff action by the United States. It can be said, therefore, that the outlook for the fine paper industry is dependent upon the state of business within the Dominion.

Build in States

In one instance, namely, that of Fraser Companies, a mill has been established in the United States, with favorable results. The plant, located at Madawaska, Me., is supplied with the raw materials from the Canadian side, being pumped under the river through several pipes. The geographic location of Fraser Companies activities makes this venture possible.

Because of the keen competition in foreign markets from mills which operate on the greater mass production basis, profits on the export business of the Canadian fine paper mills are narrow. But the business helps to keep the plants operating at capacity.

Should Restrict Imports

With the tremendous import of American publications into this country, the manufacturers find also that they have but a comparatively small publishing house field which they serve. Should some check ever be placed on the flow into Canada of publications containing vast quantities of advertising, fine paper manufacturers in the Dominion would benefit enormously. Trade advertising matter pays a duty of 15 cents a pound, but the American magazines, many of them weighing half a pound or more enter the country duty free. It seems doubtful, though, that any restrictive legislation of this character will ever take effect.

The outlook for fine paper stocks, depend very largely upon the state of business existing in this country. If conditions continue to improve, as is to be expected, then the mills should continue to report increased earnings, in which event there should be available larger profits for distribution to the shareholders.

Westminster Paper

Steps Being Taken to Rebuild Plant Destroyed by Fire

Westminster Paper Company received a serious setback this year when its plant at New Westminster, B.C., was destroyed by fire.

It is understood that plans of the management call for the construction of a larger and more modern plant upon the site of the old buildings. This is semi-officially confirmed by statements of the company officials, who state the plans of the new plant are under consideration pending settlement of fire insurance adjustments, connected with the old plant. The firm has orders on hand to keep the new plant operating at capacity for six months.

May Raise Capacity

Investment interest in this company is limited. On October 1 last year the bond issue of $175,000 was called for redemption. In addition there is outstanding $500,000 of common stock, a substantial proportion of which is held by Wisconsin investors. It is likely that the company will have to raise new money in order to carry out its proposed building programme.

The company operates a mill at Bellingham, Washington, through a subsidiary, Pacific Coast Paper Mills.

Capitalization—	Authorized	Outstanding
Com. ($10 par)	$500,000	$460,050

Funded Debt—

First mortgage serial bonds, 6½ per cent. Dated Oct. 1, 1926; due $10,000 annually between Oct. 1, 1929, and Oct., 1936; and $85,000, due Oct. 1, 1937.

Authorized, $175,000; outstanding (closed) $165,000.

Officers—

J. J. Herb, pres.; R. F. Arnett, vice-pres. and sales mgr.; H. M. Lord, sec.-treas.

Directors—

The above and James Hinton, O. P. Schlaffer, C. Kelly, J. McMahon.

INCOME AND SURPLUS ACCOUNT

	6 Mos. Ended Jan. 31, 1929 $	Year Ended July 31, 1928 $
Net sales	284,929	388,306
Less: Cost of sales	219,268	313,279
Gross earnings	65,661	75,117
Add: Misc. income	224	1,952
Total gross earnings	65,885	77,069
Less: Selling and adminis. expenses	23,798	40,597
Net earnings	42,087	36,472
Less: Depreciation	9,662	17,645
Bond interest	2,341	4,983
Amt. w/o bond int.	375	750
Amt. w/o prel. exp.	691	1,382
Prov. for inc. tax	......	1,297
Surp. for period	29,018	10,415
Add: Prev. surp.	20,923	10,508
Bal. car. forward	49,941	20,923
Times Interest Earned:		
(After depreciation)	13.85	3.78
Div. Record and Earn. per share:		
Earned	$0.63	$0.23

None paid.

Previous Earnings—

Net earnings of the company for the first three years and seven months' period of its operation, ended July 31, 1926, before depreciation and income taxes, were $37,-

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Seaplane Port at Victoria

With a view to creating a seaplane airport in the harbor of Victoria, the city has already taken preliminary steps leading to the preparation of plans. A hangar facing the water with a ramp in front, and provisions for electric power and refuelling were some of the suggestions contained in a communication to the city council the other day.

B.C. Pulp & Paper

Capacity Plant Operations Owing to Better Market

Steady improvement has taken place in the position of British Columbia Pulp and Paper Company over the past year. At the present the Port Alice and Woodfibre plants are operating at capacity, producing about 210 tons per day of bleached and easy-bleaching sulphite pulp. The third plant of the company at Swanson Bay, which has a small production of pulp, is not being operated.

Markets for sulphite pulp have been steady this year, without the usual mid-summer depression. Outlook for the fall months is promising and expectations are that the company will bring out a good financial statement for 1929.

Though conditions in the sulphite market last year were not particularly good, the company was able to report its preferred dividends earned by a small margin. This is considered especially satisfactory in view of the fact that the company wrote off $340,000 for depreciation and had an outlay of $272,088 for additions to property during the year.

May Develop Farther

There have been reports that the company was about to undertake a large development programme, involving an expenditure of over $1,000,000. It is officially stated that while the company has been working on a development programme no definite commitments have been made up to September this year. Furthermore, the programme is still under consideration and has not yet reached the stage where it can be publicly announced.

It will be recalled that in December, 1925, British Columbia Pulp and Paper Company was formed for the purpose of taking over the Whalen Pulp and Paper Company. The assets of the old company were purchased by a trustee on behalf of preferred mortgage bondholders, who assumed control of the property and floated the company.

The Woodfibre plant now has a capacity of 120 tons of easy-bleaching sulphite, and the Port Alice plant 110 tons of bleached sulphite a day. The Swanson Bay plant is a combined shingle, lumber and pulp mill with a capacity of 40 tons of pulp daily.

These pulps are far from being a raw material, but are actually highly chemicalized pulp of quality grade and are bought all over the continent and in foreign countries for manufacturing different types of paper.

Stock Closely Held

There is little investment interest in British Columbia Pulp and Paper Company. Outstanding in the hands of the public is a first mortgage bond issue of $3,626,500. In addition, there is an issue of $1,500,000 of 7 per cent general mortgage sinking fund gold bonds. All the general mortgage bonds and the entire 100,000 shares of common stock were purchased by the Royal Securities Corporation, the shares being held as a voting trust.

The preferred shares of the present company were given to the original first mortgage bondholders of the Whalen Company in lieu of their arrears of interest. The bondholders of the old company were given bonds in the new company par for par.

There is no active market for the preferred shares and at the present time the over the counter price offers the investor a high yield. This in itself is indicative of the company's present situation, though in view of the improvement which has taken place over the past two years, the preferred shares offer certain attractions for the investor who can afford to wait for the company to increase and stabilize its earning power.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	150,000 shs.	100,000 shs.
Pref. 7% cum.	$1,000,000	$556,200

Funded Debt—

6 per cent first mortgage sinking fund bonds, due 1950; issued $3,626,500. 7 per cent general mortgage sinking fund bonds, due 1950; issued and outstanding $1,500,000.

Dividend Record—

Preferred 7 per cent per annum payable quarterly. Initial dividend of $8.75 a share paid Feb., 1927, representing all accumulated dividends paid regularly since.

Common, none paid.

Officers and Directors—

L. Killam, pres. and man. dir.; W. J. Blake Wilson, vice-pres.; O. A. Jorgenson, treas; Geo. Kidd, Vancouver; F. S. Bell, sec., Montreal; R. C. Buchanan, W. H. Malkin, Vancouver; I. W. Killam, Dr. V. R. Mitchell, W. C. Pitfield, Montreal.

Property—Company leases approx. 155,000 acres of timber lands, estimated to contain 4,000,000,000 ft. of timber.

Income and Surplus Account
(Years ended December 31)

	1928	1927	1926
Net earnings	$723,335	$777,551	$807,232
Deduct:			
Bond int.	326,815	327,450	320,420
Depreciation	340,000	384,861	374,752
Taxes	14,347	17,270	31,000
Net profits	42,173	47,969	81,060
Deduct:			
Pref. divs.	38,934	38,934	38,934
Surp. for year	3,239	9,035	42,126
Add prev. surp.	51,161	42,126	......
Bal. car. for.	54,400	51,162	42,126

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Mersey Paper Co.

Large Nova Scotia Enterprise Will Bring First Machine Into Production Next Month—Financing Will Likely be Undertaken This Fall

Though investment interest in the Mersey Paper Company is non-existent at the moment, it is likely that public financing will be undertaken by this organization before many months have passed. At present the necessary funds for development work are being advanced by I. W. Killam, of the Royal Securities Corporation. Thus for the time being, it may be considered as a private enterprise, though there is every reason to expect that extensive financing will be undertaken when conditions are opportune.

Mersey Paper represents the largest pulp and paper enterprises undertaken in Nova Scotia. Over a year ago, an agreement was entered into between the Nova Scotia government and Royal Securities, involving a capital expenditure of over $12,000,000 in the erection of the mill and $3,000,000 on the part of government in the development of certain hydro power on the Saint John River, which is to be provided to the pulp mill on a fixed cost basis.

Large Wood Supply

The wood supply for the industry is to come from two sources, namely, from the company's own land, which is extensive, and from certain Crown Lands from which pulpwood is to be sold by the government to the company on a stumpage basis, the rates have been established on a sliding scale for ten year periods, beginning with $1 a cord for the first ten years, $1.50 a cord for the second ten years, and $2 a cord for the third period, the rate thereafter to be determined by the Governor-in-Council.

The contract with the government gives Mersey Paper the right to explore all unalienated Crown Lands in Nova Scotia with certain exceptions and to select for operation such areas that will yield 1,000,000 cords of pulpwood for the next 30 years.

The areas must be selected in the next two years and 30,000 cords of pulpwood must be cut annually.

An important stipulation of the agreement is the undertaking by the corporation that in case of all pulpwood, whether Crown Lands or from lands owned in fee by the corporation, all will be manufactured into paper within the province and that no unmanufactured pulpwood will be exported.

The government has agreed to make available to the company, 1,000,000 cords of wood over a period of thirty years and until the year 1935 the company's operations on Crown Lands will be confined to the Island of Cape Breton and Guysboro County.

Construction work on the mill has advanced rapidly during recent months. The large group of buildings are constructed of brick, practically all of which work has been completed. The paper storage dock has been finished and workers have commenced to erect the supporting steel for the paper storage building. The buildings which comprise the offices, stores and machine shops, grinder room, sulphite mill and blow pit room all have their building walls fully erected. The walls of the boiler house and turbine room are well on toward completion.

To the north of the water tower are rapidly rising three large concrete towers, which will be acid towers used in conjunction with the making, and digester necessary for cooking, sulphite pulp.

Within the mill some of the equipment has already been placed. In the grinder room where the pulp is to be made, installation is proceeding on 12 large continuous grinders and their motors. In the mixing room work is being done on the screens, filters, deckers and other equipment. The actual installation of the paper machines will shortly be undertaken, and should be ready for operation sometime toward the end of October or the beginning of November.

Mersey Paper is assuring itself of adequate timber reserves and other properties the company having bought the Clyde and Sissiboo Pulp Company from the receiver.

The purchase price is said to be in the neighborhood of $200,000. This company has properties of 72,000 acres of timber limits in Nova Scotia, two mills, one at Fort Clyde and the other at Weymouth and water powers on the Clyde and Sissiboo Rivers.

The mills of this company have been operated intermittently for some time, but the intentions of the new owners are not known.

Capacity of 375 Tons

According to present plans Mersey Paper Company will have a plant with a total capacity of 375 tons of newsprint daily, with three units in operation. The first machine of a capacity of 125 tons will be ready on October 15; the second machine, with a similar capacity, will be ready on November 15; and the third machine, also 125 tons, to be ready in 1930.

Marketing of the output will be done directly. The company has been advertising extensively in United States' trade periodicals to the effect that it is prepared to enter into contracts. It is building its own steamers of special designs to ensure paper arriving at destination in box-car condition.

It is the intention to transport the paper from Liverpool, where the plant is located, to such points as Boston, New York, Philadelphia, Baltimore, and other American ports on the Atlantic seaboard. In this way considerable saving will be effected in transportation costs.

Though no confirmation can be obtained, it is understood that an arrangement has been entered into between I. W. Killam and the Spruce Falls Power and Paper Company, whereby the latter organization supplies Mr. Killam's Toronto newspaper, the "Mail and Empire," with its newsprint requirements, while the "New York Times," which is largely interested in Spruce Falls, will obtain a substantial proportion of its requirements from the Mersey paper plant.

Dominion Maintains Dominant Position

Newsprint paper made up 84.7 per cent of the total reported tonnage of paper manufactured in 1928. The newsprint amounted to 2,414,393 tons valued at $144,146,632, as compared to 2,082,830 tons in 1927 valued at $132,286,729, an increase of 15.9 per cent in tonnage and 9 per cent total value.

The first eight months of 1929, the Canadian output of newsprint was estimated at almost double that of the Dominion's nearest competitor in the world's newsprint market.

Restigouche Co.

Raise Money to Finance Construction of New Pulp Mill

Additional financing was undertaken by Fraser Companies Limited, this year on behalf of the Restigouche Company, in the form of $3,000,000 of six per cent three-year convertible collateral trust gold notes. Proceeds of this note issue will be applied toward the construction of a bleached sulphite mill, now under construction by the Restigouche Company at Athol, N.B.

This mill will have annual capacity of 45,000 tons and is expected to be in operation by January 1, 1930. Though no official information is available on the point, it is understood that the production will be used for cellulose pulp in the manufacture of rayon or artificial silk.

The Restigouche Company is owned outright by Fraser Companies, Limited. It was incorporated to take over Stetson, Cutler and Company and is regarded as one of the largest manufacturers of lumber products in eastern Canada. It holds, under lease, 286 square miles of timber lands in Quebec and 1,009 square miles in New Brunswick, situated on the watersheds of the Restigouche, Tobique and Green Rivers and their tributaries. The limits are estimated to contain 7,000,000 cords of pulpwood.

The company also owns properties at Athol, N.B., on which there is a sawmill with an annual manufacturing capacity of 30,000,000 ft. B.M., of lumber and 25,000,000 lath.

Fraser Guarantee Bonds

Aside from its capital stock issues of 250,000 no par value shares, the company's only capital liability is a first mortgage bond issue of $1,900,000, which is guaranteed by Fraser Companies Limited. Proceeds from this issue were used to provide part of the cost of retiring the $2,231,500 of seven per cent first mortgage bonds of Stetson, Cutler and Co.

In addition, the company has outstanding $3,100,000 of Series "B" six per cent first mortgage bonds. This issue is pledged as security for the parent company's issue of six per cent three-year convertible collateral trust gold notes, which were issued to provide funds for the construction of the sulphite pulp mill at Athol.

No Statement Published

Earning figures of the Restigouche company are not available. The Fraser Companies' earnings, though, are in excess of the annual fixed charges of the subsidiary. Further, the earnings of the parent company, with the completion of its expansion programme are growing.

Capitalization—	Authorized	Issued
Common (n.p.v)	250,000 shs.	250,000 shs.

All owned by the Fraser Co's.

Funded Debt—
5½% first mortgage sinking fund bonds, series "A," due 1948; issued $1,900,000.
6% series "B," issued $3,100,000.
Issue pledged as security for parent company's issue of 6%, 3-year convertible collateral trust gold notes.

Dividends—
25c per share paid April and July, 1928.

Officers and Directors—Archibald Fraser, pres. and gen. mgr., Fredericton; Donald Fraser, vice-pres., Plaster Rock, N.B.; A. W. Brebner, treas.; Donald A. Fraser, Jr.; W. Matheson, sec., Edmundston; W. C. Pitfield, Montreal; J. H. Price, Quebec, P.Q.; G. H. Mead, Dayton, Ohio.

Home Demand Increases

Sixty-nine per cent of the pulp produced in Canada in 1927 was manufactured by its pulp and paper mills for their own use and for the manufacture of paper. Over 27 per cent was made for export and the remaining 3½ per cent was made for sale to other paper mills in Canada or to factories manufacturing other pulp products.

Fraser Companies

Expansion Programme, Involving Expenditure of Several Million Dollars, Now Nearing Completion —Start Work on Another Pulp Mill Shortly

Over the past eighteen months several million dollars have been spent by Fraser Companies, Limited on its development programme, which, when completed, will place it far ahead of the other fine paper makers in respect to output

During 1928 the plant's extension programme at the Edmundston mill and that of Fraser Paper, Limited, Madawaska mill, were practically carried to completion.

Additions to the sulphite mill at Edmundston were completed, the groundwood pulp mill at that plant was brought into operation in October, and the existing one machine at Edmundston rebuilt and put in operation.

At Madawaska four high grade paper machines were in operation and a fifth machine was placed in commercial operation early in March, 1929. The catalogue paper machine at Madawaska was installed and is now on production on the Sears-Roebuck contract.

By the end of this year, an additional catalogue paper machine will be installed in the Madawaska plant, while the new sulphite mill at Athol, N. B., should be ready by the end of this year, or early in 1930.

Enlarge Plant Capacity

Last year, the company increased output of its Edmundston mill to 21,000 tons of high board, 42,000 tons of groundwood pulp, 15,000 tons of bleached sulphite pulp and 12,000 tons of unbleached sulphite pulp per annum.

In the Madawaska, Me., mill, production was increased by 66,000 tons per annum of high grade paper and board products. Six machines are now in operation at this mill, including a new paperboard machine and catalogue paper machine which came into operation early this year. The seventh is being installed.

The capacities of the company's three plants are now as follows:

	Tons per annum
Edmundston, N. B.	
High grade bleach sulphite pulp	60,000
Unbleached sulphite pulp	12,000
Paperboard	21,000
Groundwood pulp	42,000
Chatham, N. B.	
Unbleached sulphite pulp	18,000
Madawaska, Me.	
High grade sulphite paper	51,000
High grade board	30,000
Catalogue paper	20,000

The combined capacity of the Edmundston and Madawaska mills is at the rate of 235 tons a day of fine and catalogue paper and 160 tons a day of paper board, in addition to which the Chatham mill is producing approximately 60 tons of unbleached sulphite pulp a day, a total production capacity of approximately 465 tons daily.

Upon completion of the present plans for expansion, the total daily capacity of the company's mills will approximate 650 tons per day, an increase of 35 tons of fine and catalogue paper, 10 tons of paperboard and 150 tons of bleached sulphite pulp.

Big Timber Production

Fraser Company's operations are not entirely confined to pulp and paper manufacturing. In Eastern Quebec and New Brunswick it operates thirteen sawmills with a capacity of 132,000,000 ft. B.M. of lumber, and 166,000,000 single pieces, and a miscellaneous annual capacity of 300,000,000 lath and 250,000 railway ties. Four of the sawmills have planing mills in operation, eight of them operating a total of 66 shingle machines.

Through ownership of Restigouche Company, acquired five years ago from Stetson, Cutler & Company, Limited, Fraser Companies control a sawmill at Athol, N. B., with an annual manufacturing capacity of 30,000,000 ft. B.M., spruce lumber, and 25,000,000 lath. It is through this latter organization that Fraser Companies is constructing its new sulphite pulp mill.

Operates in States

Through another subsidiary, Fraser Paper Limited, the company operates a modern high-grade paper mill at Madawaska, Me. An interesting feature of its plant is the fact that the furnish for the paper machines is pumped through a 6,000 ft. pipe line from Edmundston across the International boundary at St. John's River. The pipeline which carries the bleached sulphite pulp is 18 inches in diameter, and made of wooden staves. Under this larger pipe, are four smaller copper pipes, about eight inches in diameter, also used for pumping bleached and unbleached sulphite, groundwood and screenings.

Large Pulpwood Supply

Fraser Companies Limited is in a strong position in regard to meeting the pulpwood needs of the enlarged capacity of its plants. The timber areas of the company and its subsidiaries comprise approximately 4,000 square miles of freehold and leasehold property, estimated to contain about 20,000,000 cords of pulpwood.

In addition the company has secured exclusive control of timber areas in the Madawaska section of New Brunswick and Quebec, thereby insuring a further supply of timber for the Edmundston mill. Though Fraser previously owned the Temisquata area of Quebec and New Brunswick, its latest purchase of timber limits gives the company control of timber lands to the west on the St. Francis River, which is also a tributary to the St. John River. It is understood that the company's purchases were the England and Thomas properties, whose acquisition now rounds out Fraser Companies control of this whole section.

Good Sales Organization

Marketing its output does not present the same problems to Fraser Companies as is the case with the newsprint producers. Through an active sales organization, Fraser Companies has built up, over a period of years, a number of valuable contracts which assure a steady market. In October last, the company entered into an agreement with Sears, Roebuck & Company, to supply that organization's requirements of catalogue paper for the next ten years.

This contract will absorb the entire tonnage of the present catalogue paper machine at Madawaska and will require the installation of an additional machine which will come into operation about December next. The balance of the company's sales in the United States are handled through Mead sales company of New York City and Dayton, Ohio.

Larger Earnings

That the earnings should develop materially with the increased production capacity of the company's plants is indicated from very marked increases that have been brought into effect during the past year and the early part of 1929. The earnings for 1927 were derived from existing production capacity of approximately 20,000 tons of sulphite paper, 42,000 tons of bleached sulphite pulp and 18,000 tons of unbleached sulphite pulp. In the present year the combined production of the Edmundston and Madawaska mills will be at the rate of 66,000 tons per annum (220 tons per day) of fine catalogue paper and 51,000 tons per annum (170 tons daily) for paperboard, in addition to 18,000 tons (60 tons daily) of unbleached sulphite pulp at the Chatham mill.

Earned $1.16 a Share

Operations from enlarged productive capacity accrue from April of this year and it is expected that earnings for the current year will show improvement. For the year ended December 31, 1928, Fraser Companies reported net earnings, after taxes and provision for bad debts, of $1,765,154,—the largest reported in any one year in the company's history. After making allowance for bond and debenture interest, which was considerably higher than 1927 owing to the new financing undertaken, depreciation and depletion, the company showed a net profit of $434,632. This was equivalent to $1.16 a share, upon which a dividend of $1 was paid.

From an investment standpoint, the common stock of Fraser Companies offers possibilities for further appreciation in value. With the present constructive programme completed, about the beginning of next year, the company will then start to receive the full benefit on its capital expenditures over the past three years. Even the 1929 report should show larger earnings, as the new machines installed will have been operating during the greater part of the year.

Capitalization—	*Authorized	Issued
Common (n.p.v)	500,000 shs.	402,476 shs.

* Of which 12,000 shares are held for debenture holders who have stock purchase warrants attached to their debentures.

Funded Debt—
6% first mortgage sinking fund bonds. series "A," due 1950; outstanding $8,689,000.
6½% coupon debentures, due 1942; outstanding $6,000,600.
6% convertible collateral notes, due 1932, outstanding, $3,000,000.
6%% unsecured convertible notes, $500,000.

Dividend Record—
Common—$1 per annum, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid April, 1928.

Officers and Directors—
Archibald Fraser, pres., Edmundston; Donald Fraser, vice-pres., Plaster Rock, N.B.; A. W. Brebner, treas.; W. Matheson, sec., Edmundston; Geo. H. Mead, Dayton, Ohio; Thomas Matheson, Edmundston; W. C. Pitfield, Montreal; J. H. Price, Quebec, P.Q.; Donald A. Fraser, Edmundston.

INCOME AND SURPLUS ACCOUNT
Years Ending Dec. 31

	1928 $	1927 $	1926 $
Net earnings*	1,765,154	1,672,954	1,561,825
Less: Bond int.	794,802	379,838	363,000
Other int.	42,554	185,461	148,987
Deprec.	353,121	314,206	291,698
Depletion	140,045	116,013	147,728
Net profits	434,632	677,436	610,412
Less Appropriations:			
Pref. div.	......	162,750	157,349
Com. div.	371,179	200,000	200,000
Dis. on secs.	45,908	83,492	84,500
Surp. for year	17,545	231,194	168,563
Add prev. surplus	1,582,165	1,350,971	1,182,409
Bal. car. fwd.	1,599,710	1,582,165	1,350,972

* After taxes and provision for bad debts.

Market Record—

	*1929 H	*1929 L	1928 H	1928 L	1927 H	1927 L
Common	88½	43	93	47	141	90

* To Sept. 12.

A.P.W. Pulp

New Improvements Lower Costs and Help Efficiency

There is no public investment interest in the A.P.W. Pulp and Paper Company, of Sheet Harbor, Nova Scotia, an enterprise that has been in operation at that point for many years, operating a groundwood pulp plant of a capacity of 100 tons daily. This company is a subsidiary of the A.W.P. Paper Company, of the United States, and through its American affiliation, markets its output in New York city, the pulp being shipped by water from the mill.

During the past year, the company has undertaken a number of improvements, with a view to increasing the efficiency of the plant and lowering operating costs. It owns some 100 square milles of timber limits and leases 16 square miles. Furthermore, the company purchases annually about 20,000 cords.

Capitalization—	Authorized	Outstanding
Common	$1,500,000	$900,400

All owned by the A. P. W. Paper Co.

Funded Debt—
None.

Officers and Directors—
Seth Wheeler, Jr., pres.; F. A. Gayford, vice-pres. and sec.; W. A. Wheeler, treas.; V. D. Bierman, R. E. Whalen.

Production—
Daily capacity, groundwood pulp 100 tons.

MASTERS

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The Leading Province in Pulp and Paper Production

Where Steady and Healthy Growth is Further Assured

THE pulp and paper industry in Canada had its birth in the province of Quebec six score years ago and to-day the province is the leading producer of pulp and paper in the Dominion. Evidence that this leadership will be maintained is given in the important construction works in the pulp and paper field under way in Quebec province at the present time or planned for early attention. The wonderful growth of the industry in the province has been due to the excellent combination of ample wood supplies, of abundant water power, capable of economical development, of contented, sturdy workmen and government policies that insure sound encouragement for development of water powers and sane exploitation of forest resources to guarantee the perpetuity of the industry.

Of the 114 pulp and paper mills in Canada, 50 are in the Province of Quebec. Of the $685,687,459 invested in the industry in Canada at the end of 1928, $376,351,074 was invested in the Province of Quebec and most of this investment has been made during the past 35 years when investment confidence in the opportunities of Quebec's forests has grown apace.

Quebec is the leading producer both of wood pulp and paper in the Dominion. In 1928, production of paper was $104,881,667 and of wood pulp $67,467,328.

Price Brothers & Company has been adding substantially to its mill capacity. The Anglo-Canadian Pulp & Paper Mills, Ste. Anne Paper Co., and Lake St. John Power & Paper Company about two years ago came into production with important new mills. The same may be said of the Murray Bay Paper Company. These constitute evidence of the many developments in the pulp and paper field which has placed Quebec well in the forefront among the Canadian provinces in this line of endeavour.

The development has been given impetus by the harnessing of water powers that have for many years thundered in unyielding majesty, as awaiting the magic of machinery to translate their natural forces into jobs for men and wealth for citizens. Throughout Northern Quebec, particularly, water powers are undergoing great development and economic significance is being given to areas that have scarcely felt human footsteps in the past.

As the forest reserves of other parts of the world are gradually depleted; as reserves of power become less; as world demand for forest products grows, the forests and water powers of Quebec will become increasingly important. All signs point to steady and healthy expansion of the pulp and paper industry in Quebec Province.

Daily the Department of Lands and Forests is giving the closest co-operation to those who are developing and to those about to develop the forests.

With forests covering more than 120 million acres with a value of well over a billion dollars, capital is being invested daily.

With the object of conserving the forests the Government's forestry department ensures that lease holders preserve certain trees for regeneration purposes, maintains an organization for reducing fire loss to a minimum, and enforces rules with regard to burning brush, etc.

These regulations are as much a help to the operating companies as they are to the province, with the result that capital investment is in no way hindered.

For information write

HON. HONORE MERCIER
Minister of Lands and Forests, QUEBEC

"The Largest Producers of Newsprint in the British Empire"

ABITIBI POWER & PAPER COMPANY

LIMITED

MONTREAL, QUE.

Owning and Operating Mills at:

MURRAY BAY, QUE.
SAULT STE. MARIE, ONT.
BEAUPRE, QUE.
IROQUOIS FALLS, ONT.
SMOOTH ROCK FALLS, ONT.
STURGEON FALLS, ONT.
ESPANOLA, ONT.
FORT WILLIAM, ONT.
PINE FALLS, MANITOBA

DAILY CAPACITY 2200 TONS NEWSPRINT
GROUNDWOOD PULP
NEWS SULPHITE PULP
HIGH GRADE BLEACHED SULPHITE PULP

Price Bros. and Company

Ability to Make Money in Lean Years Attracts Investment Following in Stock—Holdings Important—Progress Being Made Along Many Lines

Ability to make money in lean years is one of the major attractions of the stock of Price Bros. and Company, both to the investor and speculator. In years when conditions in the pulp and paper industry have not been altogether satisfactory, and other companies have found difficulty in paying their way, Price Bros. has been able to meet its requirements in respect to capital stock dividends, set up some substantial reserves and generally improve the financial structure of the company. Then again, Price Bros., over a period of years, has widened its activities until today its activities are a composite picture of the lumbering and pulp and paper industries, hydro power and investment trust. Needless to say this diversity of activity has made for a stabilized earning power and with a widening scope of operations, for larger earnings.

Continuity of Management

The fact that this company is controlled by the Price family and that the amount of voting stock in the hands of the public, is another factor which must be taken into consideration when analyzing the investment merits of Price Bros. stock. From the early 19th century up to the present time, control of this organization has remained with the Price family and there is little likelihood of a major interest passing into other hands or control resting upon the open market. This continuity of controlling interest has been of the utmost value to the company in that it has permitted a continuity of singleness of purpose and has minimized excessive fluctuation of the stock's market value.

The present company was established nine years ago. Its operations may be divided into four classifications, namely, paper, pulp, lumbering and hydro power, which will be treated individually hereafter. Price Bros. has three paper mills, Kenogami, and River Bend producing newsprint and Jonquière producing cardboard and specialties. The latter is a small plant, with a daily production of about 60 tons. It has been operating continuously and provides the company with a steady revenue.

Add Two Machines

Early in the summer, Price Bros. completed its programme of development at the River Bend plant, covering the installation of two additional newsprint machines, bringing the capacity of that plant from 200 tons up to 400 tons daily. The two newsprint machines are not yet in actual operation, though they have been tested and are ready to run when conditions permit.

Its newsprint mills, at the rated daily capacity of approximately 925 tons, place Price Bros. among the leading producers of the world. In common with other companies, in this field of business, Price Bros. has had to curtail production, but owing to excellent management and low cost production, it has not experienced the sharp decline in earnings as reported by other newsprint concerns.

The groundwood pulp mill at Rimouski, with a daily capacity of 40 tons, is an asset of value.

Operate Saw Mills

The company operates nine saw mills, with a ten-hour capacity of 670,000 board feet measure. Returns from the lumbering end of Price Bros. operations account for a material percentage of the gross revenue. Furthermore, the lumbering operations serve as an excellent standby in poor newsprint years and have been responsible for the strong financial showing made by the company in the past year.

Power Sites Important

Price Bros. has six developed water powers with an aggregate of 62,750 horse power and four undeveloped power sites with a potential capacity of 60,000 horse power. Further, the company owns approximately 8 per cent stock interest in the Duke-Price Company, which has an installed capacity of 495,000 horse power of which Price Bros. receives 150,000 horse power on long term contracts.

Naturally the most important asset of a company of this type is in its timber limits. Price Bros. owns outright or through its subsidiaries or leases, 9,500 square miles of leasehold Crown land, 236 square miles of freehold lands and 33 square miles right of cut. The major portion of this timber area is located on watershed tributaries through its principal plants on the Saguenay and St. Lawrence Rivers.

Other properties of Price Bros. including a controlling interest in Donnacona Paper Company, which is treated separately elsewhere, and a half interest in the assets and undertakings of the Quebec Pulp and Paper Corporation, also treated as a separate unit in this edition.

Hold Aluminum Stock

Another asset of great importance is the company's stock holdings in the Aluminum Company of America and the Aluminum Company of Canada.

In 1925 Chute au Caron power site was sold to the Aluminum Company by the Quebec Development Company, in which Price Bros. held a 25 per cent interest. For this it received $4,000,000 of preferred stock, which has since been sold, and 36,800 shares of common stock of the Aluminum Company. The company later received 12,250 shares of Aluminum Company of Canada. The valuation of all investments, and shown in the balance sheet of the company as on February 28, 1929, was $3,802,866.

That this figure is extremely conservative is apparent from even a casual study. The company's shareholdings in the Aluminum Company of America alone, for example, have a market value of well over $12,000,000 or about three times the value for all investments shown on the books.

It is understood that with high prices prevailing recently for Aluminum Corporation's stock, Price Bros. disposed of part of its holdings at between $450 and $550 a share. Just how much stock was sold, is not known, but it is said that Price Bros. still retains a substantial block of stock in that enterprise.

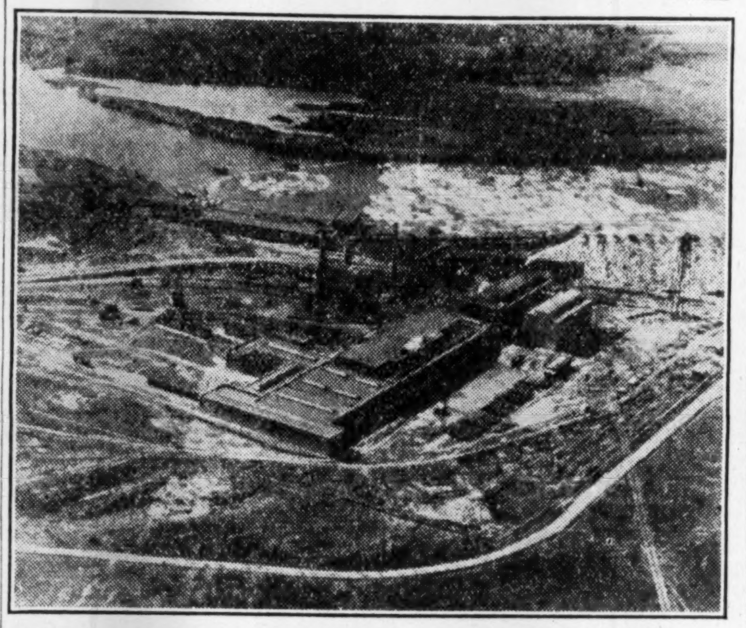
Investment in Price Bros. stock is made further attractive by the fact that its funded debt is very moderate in relation to its total assets, amounting to only $12,370,200 as against $84,971,230. Ranking prior to the common is an issue of $6,866,600 preferred. There are 426,832 shares of common stock of $100 par value each outstanding, upon which an equal dividend of $2 is being paid.

Interest in the stock at the moment is largely due to the public's realization of the company's important holdings in Aluminum Corporation. Also buying has been on account of the improved situation in the newsprint industry, the assumption being that if the newsprint companies can improve their earning power position, Price Bros. stands to benefit as much, if not more, than any of the other operators in this field.

Capitalization—

	Authorized	Outstanding
Common ($100 par)	$50,000,000	$42,683,200
Pref. 6½% cum., red. ($100 par) ..	10,000,000	6,886,600

Industry Goes North for New Locations



This picture illustrates Price Bros.' plant at Riverbend on the Saguenay River, P.Q. Early this year two additional machines were installed, doubling the newsprint capacity of the plant.

Funded Debt—

6% first mortgage sinking fund bonds, due 1943; outstanding $12,379,200.

Dividend Record—

Preferred—6½% per annum, payable quarterly, Jan., Apr., July and Oct. 1.

Common—2% per annum, payable quarterly, Jan., Apr., July and Oct. 1.

Officers and Directors—

Officers—John H. Price, pres.; J. L. Apedaile, vice-pres.; J. M. McCarthy, vice-pres.; H. E. Price, sec. and treas.

Directors—John H. Price, J. M. McCarthy, H. E. Price, A. J. Price, J. L. Apedaile, Quebec, P.Q.; Hartland B. MacDougall, A. J. Brown, K.C., V. M. Drury, Sir H. S. Holt, Montreal; W. S. Hofstra, G. G. Allen, New York; Sir Keith W. Price, Bart., Sir I. H. Benn, Bart., London, Eng.; A. C. Price, Kenogami, Que.

Market Record—

	Old Company Common High	Low	Preferred High	Low
1913	73	65	...	...
1924	60	60	...	...
1915	..	..	...	...
1916	132	60	...	...
1917	134	115	...	...
1918	151	120	...	...
1919	260	155	...	...
1920	385	250	...	...
	New Company			
1921	42¼	24¾	...	...
1922	47¾	30	...	...
1923	47	39	...	...
1924	45	26½	...	...
1925	59	35⅜	96½	95
1926	76¾	57	103½	95½
1927	80¾	51¼	105⅛	100
1928	120⅝	60¼	108	99
‡1929	121	71	110	101

‡ To Sept. 16.

INCOME AND SURPLUS ACCOUNT, YEARS ENDED FEB. 28

	1929 $	1928 $	1927 $	1926 $	1925 $	1924 $
Net earnings	3,413,715	4,079,573	4,063,211	4,263,190	3,128,125	3,408,966
Less: Deprec. & depletion	1,256,861	1,508,965	1,541,263	1,199,604	1,189,364	1,142,013
Bond issue expense	......	......	......	137,500	......	......
Prem. on bonds red.	......	15,105	12,425	......	......	......
Cost of pf. stk. issue	......	......	......	......	480,377	......
Net profit	1,367,420	1,682,808	1,616,580	2,139,990	858,384	1,715,438
Less appropriations:						
Pref. dividends........	450,665	455,000	455,000	455,000	......	......
Common dividends	853,664	853,664	853,664	853,664	653,664	853,664
Surplus for year	63,091	374,144	307,916	831,326	4,720	861,774
Add: Previous surplus ..	2,604,055	2,229,911	1,921,995	1,573,038	1,568,318	706,544
Less: Written off Kenogami restoration	......	......	......	482,369	......	......
	2,667,146	2,604,055	2,229,911	1,921,995	1,573,038	1,568,318
Times Bond Interest Earned: (after depreciation and depletion).	2.73	2.95	2.82	3.90	3.23	4.11
Dividend Record and Earnings per share—						
Preferred:						
Earned	$19.91	$25.04	$23.09	$30.57	...	...
Paid	6.50	6.50	6.50	6.50	...	...
Common:						
Earned	2.14	2.88	2.72	3.95	2.01	4.02
Paid	2.00	2.00	2.00	2.00	2.00	2.00

Donnacona Paper

Work Proceeding on Mill to Produce Wallboard

The situation surrounding Donnacona Paper Company over the past twelve months has been satisfactory, its newsprint plant being operated at capacity. When considered that the improvements which were made at the plant in 1928 increased capacity and efficiency, thereby affecting a certain reduction in operating costs, it is to be expected that the 1929 report will show increased earnings. This premise, of course, is dependent upon conditions in the newsprint and groundwood pulp markets for the balance of the year.

Another development of importance in connection with this company was announced recently to the effect that Donnacona would turn to the manufacture of wallboard.

Have Let Contract

The contract for the construction of this plant has been let, and it is expected that the new unit will be in operation before long. In some quarters it is thought that production will commence late this fall, but it is more likely that it will be toward the beginning of the new year before the new wallboard product is actually put on the market.

The plant will have a daily capacity of 150,000 square feet. The addition of this new product will diversify the company's output considerably and further stabilize earnings.

Not only is this announcement of interest to holders of the mortgage bonds which Donnacona has outstanding in the hands of the public, but it is of particular interest to Price Bros., which purchased all of the capital stock of this company upon its formation in 1927.

Will Help Price

It was rumored some time ago that Price Bros. was seeking to diversify its output by means of an entrance into some field other than newsprint, and in entering the wallboard field it is approaching a sphere that has been pioneered with considerable success by several newsprint paper makers in this country.

The importance of this organization to Price Bros. is better appreciated when it is known that Donnacona controls nearly 1,000 square miles of timber lands in Quebec, which contain approximately 5,400 cords of pulpwood. In addition the company holds water powers estimated to have an ultimate capacity of 40,000 horsepower.

Operations of the company centre around the woodpulp and sulphite pulp mills on the Jacques Cartier River. The newsprint mill has a capacity of 230 tons daily, while the pulp mill produces 175 tons of groundwood and some news sulphite pulp.

Operate Three Machines

The mill is located on the north side of the St. Lawrence about 30 miles west of Quebec, where the Jacques Cartier River joins the St. Lawrence. The mill has three newsprint machines. The company also owns its own extensive power site on which the predecessor company expended large sums. The company's water powers have been developed in extent of 11,000 horse power and a 20-year franchise to supply power to the town of Donnacona.

Through its subsidiaries Donnacona has assets of considerable value. The Bail St. Paul Lumber Company has cutting rights over 64,000 acres situated on the du Gouffre River water shed, while the Donnacona Improvement Company owns the townsite of that name.

Capitalization—

	Authorized	Issued
Common (n.p.v.) ..	200,000 sh.	150,000 sh.

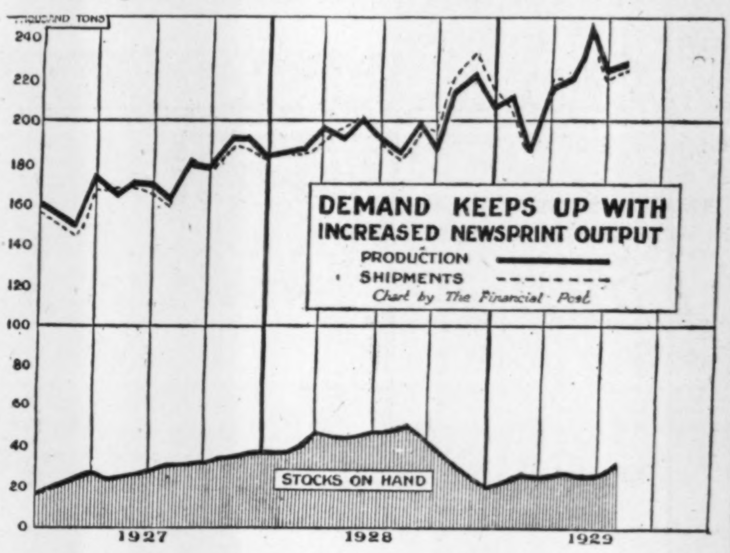
Controlling interest held by Price Brothers & Co., Ltd. The shares of the old company were bought out at $110 per share preferred and $100 per share common.

Funded Debt—

5½% first mortgage sinking fund bonds, series "A," due 1948; authorized $12,000,000, outstanding $7,000,000.

6% debentures, series "A," due 1948; authorized $6,000,000, issued $4,000,000.

Newsprint Situation Takes on Healthier Look



Since the reaching of an agreement between the principal operators with respect to operations and price of newsprint, the industry has experienced better times. Demand has been on the increase, output higher, and mill stocks have been kept low.

Fraser River Pulp

Though plans are still in the formative stage, it is possible that the Fraser River Pulp and Paper Company will establish a pulp and paper plant at Prince George before long. The company has been examining the field over the past three years and has gone into the matter very fully. Within the past six months matters have progressed rapidly, and it is likely that some definite announcement will be made shortly in regard to the company's plans.

Frank P. Jones, until lately, head of the Beauharnois Light, Heat and Power Company, and at one time president of the Canada Cement Company, and associates, are behind this enterprise.

At the present time, the matter of markets is engaging the attention of the promoters. It is probable that before this enterprise is further proceeded with, the British market will be canvassed, so that guarantees may be had of a steady overseas market.

Three engineers are now taking the field; one a pulpwood expert, the second in charge of the investigation of power possibilities, and the third in general charge. On their reports, the syndicate will complete its plans.

This issue carries rights for the purchase of common stock.

Dividends—

No dividends are being paid on the new common shares.

Officers and Directors—

John H. Price, pres.; J. L. Apedaile, vice-pres.; R. P. Kernan, vice-pres.; W. G. Mitchell, R. H. Nisbet, A. C. Price, W. C. Pitfield, V. E. Mitchell, L. W. Michael, sec.; E. A. Brissett, treas.

INCOME AND SURPLUS ACCOUNT
Year Ending December 31, 1928

Net earnings	$869,763
Less: Depreciation and depletion	216,688
Bond and deb. interest ..	590,714
	$62,371

Times Interest Earned:

After depreciation and depletion	1.11
Earnings per share	0.42

Market Record—

	‡1929 H.	L.	1928 H.	L.
Common	..	..	31	22

‡ To Sept.

THE
E. B. EDDY Company
LIMITED

Makers of Newsprint, Bond Papers, Book Papers Bristol Boards, Sheathing, Toilet Papers, Tissue Papers, Wrapping Papers, Paper Towelling, Paper Napkins, etc. etc.

THE E. B. EDDY COMPANY LIMITED
FOUNDED 1851
HULL CANADA

CHENEAUX BOND

An inexpensive Bond Paper that looks and wears like the more costly sheets. Has Appearance, Printability and Serviceability. For invoices, order forms, salesmen's reports, letterheads, cheques, circulars, bills of lading, etc. Available in white and eight distinctive colours: White in 16, 20 and 24 pound weights. Coloured in 16 and 20 pounds.

TOILET TISSUE

Canada's standard of Tissue quality and value. "Cottage," "White Swan," "Navy," and "Dreadnought" Rolls are safe, sanitary and economical for every bathroom. "Onliwon" Tissue and the neat, compact "Onliwon" Tissue Cabinet have won merited popularity everywhere.

KRAFTEX WRAPPING

Here is a truly worthy product of the Eddy Mills. A sturdy, serviceable wrapping paper that will stand lots of hard usage. Made to resist extra heavy strain. Available in sheets or rolls.

PAPER TOWELLING

Ideal for the public washroom. Eliminates laundry bills. Cuts down overhead costs. Soft as any linen towel, and far more sanitary.

HULL - CANADA

No. 17 of a series of advertisements featuring your industrial opportunity in Hull, P.Q.

Aeroplane View—City of Hull.

Does Your Manufacturing Success Depend on Accessible Forest Raw Materials and Abundant Hydro-Power?

Other Reasons for Your Industrial Success in Hull

Markets: Hull's location is central to Canada's largest and most concentrated markets.

Transportation: Fine transportation facilities are available—the Canadian Pacific Railway's direct trans-Canada route; the Canadian National Railways; water shipments to seaboard and to and from New York State; first-class roads for motor and truck traffic.

Labour is noted for its steadiness. Hull has been without a strike for over 30 years. Over 75 per cent. of the workers own their own homes.

Fire and police departments give adequate protection. Educational facilities are excellent—including a splendid technical school.

Hull has many fine factory sites for new industries with ample room for expansion. The Hull tax rate is low and a fixed assessment for ten years can be arranged.

CITÉ DE HULL

THE Ottawa Valley, of which the City of Hull is the gateway, is world famous as a great forest area.

The names of the E. B. Eddy Company, J. R. Booth & Sons—and now the Canadian International Paper Company and the Gatineau Power Company—are ones that have made and are making this Valley internationally known as a district of immense timber limits and tremendous hydro-power resources from which finished products of quality can be economically made.

Manufacturers seeking forest raw materials and abundant hydro-power together with other complete essentials for industrial success will find Hull the realization of their need.

Hull is the converging point of all the great power developments of the district. The present installed operating hydro-power capacity of the Gatineau Power Company in the Hull district exceeds 443,500 h.p.

Quantity power, near at hand, means low transmission costs and cheap power. Rates vary from $18.00 to $28.00 according to requirements.

Within the last two months two new industries have decided to locate in Hull. Work has begun on the construction of a new match factory, and the Gatineau Power Company will shortly commence the construction of a factory for the Hull Pure Silks Limited.

Industrialists are invited to investigate Hull's opportunities for profitable production.

For further information write Major Alban Laferriere, J.P., Director of Publicity, City of HULL, P.Q.

BRING YOUR INDUSTRY TO HULL, QUE.

Key City of a Great Hydro-Power and Industrial District

CANADIAN PAPERBOARD COMPANY LIMITED
ALL GRADES OF PAPER BOARDS
SMOKE TURRET CIGARETTES
BIG 20 PACKAGE
MELACHRINO
CEYLONA
TIGER GRIT
ZIP BANG
AVON IMPERIAL
PEANUT MALLOW BAR
ATTA BOY!
POKER HANDS
Winchester CIGARETTES
MILLBANK CIGARETTES
Finest Virginia Tobacco
REX SMOKING MIXTURE
Piccadill
LONDON
SMOKING MIXTURE
THIS BOX CONTAINS
1,000 No. 2 STANDARD
2x4 CARTON FILLERS

The Big Parade!

Every Day Battalions of Merchandise Go on Parade To Win Sales

Every day on dealers' counters, shelves and in their show windows, goods do battle for favorable attention.

Paperboard provides ammunition for winning this "battle for attention" in modern merchandising.

Paperboard has brought neatness and advertising value to packaged goods—speeding up sales through its adaptibility for attractive display. People buy more readily that which they see pleasantly.

The paperboard package identifies an article—resulting in its recognition and promoting repeat sales.

Paperboard boxes and shipping cases are increasingly bringing goods safely from the supply base to the front line.

Paperboard display cards, counter cartons, are more and more successfully leading the attack on consumer desires, thus increasing sales.

Wallboard, the basis of which is paperboard, is finding a growing market.

Paperboard egg fillers in egg cartons of the same material are being increasingly used.

Despite the present wide use of paperboard, the diversity and number of its uses continue to increase.

The Canadian Paperboard Company persistently is carrying on research in the improvement of paperboard to meet new needs.

Through the company's activities and cooperation, the users of paperboard may expect progressive and dependable service.

Grades of Board Manufactured:

Chipboard, Newsboard, Vat Lined Board, Strawboard,
Wood Pulp Board, Container Board, Specialties,
White Patent Coated Board.

CANADIAN PAPERBOARD COMPANY LIMITED

Canada's Largest Producers of Paperboard

Mills at TORONTO, FRANKFORD and CAMPBELLFORD *in Ontario*
and at MONTREAL *in Quebec*
Head Office: 2 Seigneurs Street, MONTREAL

Crown-Zellerback

Shortage of Water Affects Pacific Mills Output

Pacific Mills Limited plants are located at Ocean Falls, as well as the townsite, and buildings incidental to a modern community. The plants have a production of 72,000 tons of newsprint annually; 9,000 tons of machine finished wrapping; 18,000 tons of sulphite pulp; 16,000 tons of kraft pulp; 62,000 tons of groundwood pulp and 4,600 tons of wrapping tissue paper.

The company has its own power supply of between six and seven thousand horsepower, and in addition has a number of steam boilers. Material for the making of pulp is purchased, contracts calling for an average delivery of about 70,000,000 feet board measure.

There is virtually no Canadian investment interest in this company, the control lying with the Crown-Zellerbach Corporation.

The latter is a result of a merger of Crown Willamette Paper Company and the Zellerbach Corporation. The consolidation controls numerous pulp and paper properties in British Columbia, Washington, and elsewhere in the Western United States. It is anticipated that the merger will be advantageous to the producing units, thought, in the case of Pacific mills, little improvement is to be expected until the troubles at Ocean Falls are corrected.

Operations are Curtailed

Operating conditions at the plants of Pacific Mills Limited have not been altogether favorable in recent months. Early in the year it was necessary to close down the kraft and newsprint sections owing to water scarcity.

The matter of providing against a recurrence of this trouble has been engaging the attention of the management and to this end considerable additions are being made to the plant at Ocean Falls, B. C. One of the immediate improvements will be the arranging of the height of the storage dam so as to lessen the possibility of a similar water shortage occurring again. The steel has already arrived for this job and work should be completed this fall.

In addition the construction programme provides for several new buildings, as well as additional machinery installations including a new speed turbine and grinder equipment.

Capitalization—	Authorized	Outstanding
Pref. (n.p.) ..	120,000 shs.	*2,975 shs.
Pf. ser. A (n.p.)	300,000 shs.	*198,323 shs.
Pf. ser. B (n.p.)		*60,000 shs.
Com. (n.p.)	7,500,000 shs.	1,991,608 shs.

* Subject to call after three years from date of insurance.

Funded Debt—
None.

CROWN WILLAMETTE PAPER
(Controlled by Crown Zellerbach Corp.)

Capitalization—	Authorized (shares)	Outstanding (shares)
Common (n.p.v.) ..	1,000,000	1,000,000
1st pref. $7 (n.p.v.)	200,000	200,000
2nd pref. $6 (n.p.v.)	41,000	41,000

Funded Debt—
First mortgage 6%, s. f. gold bonds, due 1951; outstanding $18,935,000.

Dividend Record—
First preferred—$7 per annum, payable quarterly, Jan., Apr., July and Oct. 1: initial quarterly dividend paid Apr. 1, 1926. 2nd preferred: initial dividend of $1.50 per share paid Apr. 2, 1928, regular payments since, Jan., Apr., July and Oct. 1. No dividends on common.

Officers and Directors—
Louis Bloch, pres.; A. J. Lewthwaite, A. B. Martin, executive vice-pres.; F. G. Wright, F. Schwabacher and G. P. Berkey, R. A. McDonald, vice-presidents; D. J. Goldsmith, sec. and asst. treas.; C. M. Whitney, asst. sec.; C. R. Blyth, H. Fleishacker, M. Fleishacker, C. K. McIntosh, C. A. Morden, H. C. Olcott, E. S. Pillsbury, J. H. Schwabacher, G. S. Towne, W. K. Orrick.

PROFIT AND LOSS ACCOUNT
(Crown Willamette Paper and Wholly-Owned Subsidiaries)

	16 Mos. End. Apr. 30, 1929 $	Yr. End. Dec. 31, 1927 $
Gross profit	9,041,264	5,740,267
Less:		
Depreciation	1,939,653	1,305,456
Depletion	673,733	248,857
Bond interest	1,539,510	1,181,435
Income taxes	517,645	386,100
Net income	4,370,723	2,618,419
1st Pref. divs.	1,750,000	1,400,000
2nd Pref. divs.	307,500	......
Surplus	2,313,223	1,218,419

PACIFIC MILLS
(Controlled by Crown-Willamette Paper Co.)

Capitalization—	Authorized	Outstanding
Com. ($100 par) ..	$7,500,000	$7,500,000
Pf. 6% ($100 par) ..	2,000,000	1,990,300

The Crown-Willamette Paper Co. owns 92.47% of the common stock and 68.94% of the preferred stock.

Funded Debt—
6%, first mortgage bonds; outstanding $2,456,000; due annually; $150,000, 1930; $200,000, 1931 to 1937; $500,000, 1938 to 1943. Guaranteed mortgage bonds due 1945; outstanding $1,845,200.

Officers and Directors—
A. B. Martin, pres.; Louis Bloch, chairman; A. J. Lewthwaite, vice-pres.; J. H. Lawson, Jr., sec.; C. L. Barker, treas.; G. V. Holt, N. F. O'Brien, W. E. Wintemute, W. J. Blake-Wilson, D. G. Stenstrom.

Income and Surplus Account

	16 Mos. End. Apr. 30, 1929 $	Yr. End. Dec. 31, 1928 $	Yr. End. Dec. 31 1927 $
Gross earn...	2,411,097	2,095,336	2,303,915
Less:			
Interest ..	354,279	278,265	398,813
Deprec. ..	1,007,362	839,539	805,834
Depletion	18,485	28,160	56,853
Taxes	166,500	160,710	216,004
Net earn. ..	864,471	788,662	826,411

Alliance Paper

Fine Paper Consolidation Has Strong Connections

Alliance Paper Mills is a newcomer into the Canadian field, representing the consolidation of Lincoln Paper Mills, Georgetown Coated Paper Mills and Ritchie & Ramsay Limited, control of which has been secured by C. Howard Smith and Harold Crabtree.

This enterprise represents the private undertaking of C. Howard Smith and Harold Crabtree and is in no way associated with the Howard Smith Paper Mills. It is possible that new financing will be undertaken at some future date, but at the present, it is not the intention to go to the public for additional capital.

Furthermore, it is not intended to change the physical properties of the three companies forming the consolidation, but some overhauling will be carried out. At the Lincoln mills alterations are under way to improve the three cylinder paper machines, which will give it a wider diversification in its output. Aside from that change, it is not intended to undertake any other important changes for the time being.

Look for Economies

Several advantages are looked for in the consolidation of the two companies. By the redistribution of tonnage on certain grades, it is expected to effect economies in production costs, and the consolidation of management will prove beneficial to the customers of the constituent companies.

The bringing together of these organizations results in the creation of a complete unit for the marketing and making of fine and specialty paper. The layout of the three constituent companies may be briefly described as follows:

Lincoln Strong Unit

Lincoln Pulp and Paper Company mills are located at Merritton, Ont. The company has 281 square miles of timber area licensed and annually purchase about 22,000 cords of pulpwood. The sulphite mill has a capacity of 14,400 tons of bleached and easy-bleaching sulphite, as well as refined sulphite screenings. The Lybster Mill is devoted to the production of book, bond, label and litho, offset, poster, waxing, writing, greaseproof and other papers. The Lincoln mill specializes largely on kraft products, while the Bag Mill, as its name implies, is devoted to the production of paper bags.

Georgetown Well-Known

Georgetown Coated Paper Mills plant is located at the town of the same name and its production amounts to about 20,000 pounds of high grade coated paper daily.

Ritchie and Ramsay is one of the better-known wholesale and retail distributing paper companies in Toronto. It has a wide connection with the trade and should prove a valuable part of the new organization.

In bringing together these three companies, C. Howard Smith and Harold Crabtree purchased all of the capital stock of the companies mentioned, while Alliance Paper assumes responsibility for the outstanding funded debt of the constituent companies.

Capitalization—	Authorized	Outstanding
Preferred .... Par $100.	$3,000,000	$1,003,500
Common ..... No par value.	200,000 shs.	100,000 shs.

All the stock is closely held.

Companies Acquired—
The financial structure of the acquired companies at the time of purchase was as follows:

Lincoln Pulp & Paper Mills—
Capital stock—Outstanding (all acquired by Alliance Paper): Pre-preferred, 200,000; preferred, $1,139,600; common 6,000 shares.
Funded Debt—(Assumed by the Alliance Paper Mills, Limited).
7½% **First Mortgage S. F. Bonds.**
Dated May 1, 1922; due May, 1942. Interest payable Feb. and Aug. 1.
Authorized and issued $1,000,000; outstanding *$968,800.
*$187,000 of these bonds have since been purchased by trustee for cancellation and approximately $8,000 is in the hands of the trustee to provide for future redemption.

Georgetown Coated Paper Mills—
Capital stock—Outstanding (all acquired by Alliance Paper): Preferred: $110,000; common, 7,006 shares.
Funded debt—(Assumed by the Alliance Paper Mills, Ltd.).
6½% **First Mortgage S. F. Bonds:**
Dated Aug. 1, 1927; due Aug. 1, 1947. Interest payable Feb. and Aug. 1.
Authorized, $200,000; issued, $200,000. Callable at 102.

Ritchie & Ramsay, Limited—
Capital stock—Outstanding (all acquired by Alliance Paper): Preferred, $110,000; common, $211,100.
Funded debt—(Assumed by the Alliance Paper Mills, Limited): Bonds outstanding, $187,200.
Officers—C. Howard Smith, pres.; H. Crabtree, vice-pres.; H. S. Maclachlan, man. dir.

Great Western Timber

Public investment interest in the Great Western Timber Corporation is confined to an issue of $300,000 of first mortgage bonds, which are secured by timber limits on the Pacific Coast and also are personally guaranteed by Howard Cole, of New York.

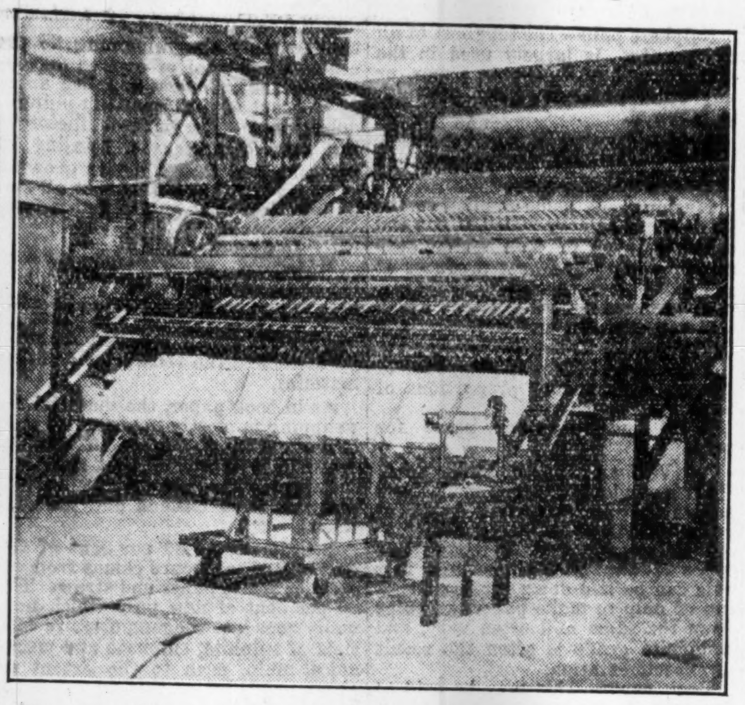
This company owns important timber limits near Vancouver, at San Juan, at Port Renfrew, and on Graham Island. The timber has been sold on a stumpage basis to the Los Angeles Lumber Products Company.

There is a possibility of a pulp mill being erected on Lulu Island. Howard P. Cole is reported as being interested in this enterprise. In the event of the deal going through, the Great Western Timber Corporation may be affected.

Figures Show Growth

The total number of employees on salaries and wages in pulp and paper mills in 1928 was 33,614 and the total pay roll was $37,322,648, as compared to 32,876 employees in 1927 with salaries and wages amounting to $45,674,293.

Rayon Raw Material in the First Stage



The picture above shows high grade sulphite pulp coming off the drying machine. Canada supplies the major share of the world's requirements of this product, essential for the manufacture of rayon, or artificial silk.

Moore Corporation

Consolidation of Subsidiaries Has Resulted in Co-ordinated Sales Programme

The Moore Corporation is a holding company, which was formed last November to acquire the shares of three companies following a similar line of business—the American Sales Book Company, the Pacific-Burt Company and the Gilman-Fanfold Corporation. These companies are manufacturers of office supplies, including business forms of all descriptions.

The American Sales Book Company, whose plants are located at Niagara Falls and Elmira, N.Y., is the largest manufacturer of merchant's sales books in the world. The Pacific-Burt Company, with plants located at Emeryville and Los Angeles, Cal., and Seattle, Wash., carries on the same line of business in the Western States. In addition to sales books, products of these two companies include autographic registers and supplies, carbon papers, forms for loose-leaf systems, counter check books and various forms of order books. Gilman-Fanfold has plants located at Niagara Falls and Brooklyn, N.Y., and manufactures and sells business forms — sets being printed in a continuous multiple strip of paper, printed, numbered, perforated and folded in perfect registration. They may be made in any combination of forms.

Status Was Unchanged

The amalgamation did not change the status of the companies concerned. While they are all conducting their operations just as they did formerly, still a more co-ordinated production and sales programme has been found possible through a consolidation of interests. All three companies were distinctly successful when operating independently and already it has been demonstrated that they will give an even better account of themselves under the existing relationship. While, as will be noted, all the plants mentioned are located in the United States, the head offices of the respective companies, as well as that of the holding company, are located in Toronto.

At the time of the amalgamation securities of the holding company were exchanged for shares of the operating companies. The offer made by the Moore Corporation had been exercised very recently by over 98 per cent of the shareholders concerned, and, on completion of the exchange of shares, the capitalization will consist of $3,500,000 authorized and $3,073,000 outstanding of 7 per cent cumulative preferred "A" stock; $2,500,000 authorized and $1,747,400 outstanding of 7 per cent cumulative preferred "B" stock; and 500,000 shares authorized and 282,340 shares outstanding of no par value common stock.

Plans for Conversion

Class "A" preferred shares are convertible at any time into common shares without nominal or par value on the basis of four common shares for one class "A" preferred share. Class "B" preferred shares are convertible at any time into common shares on the basis of six common shares for one class "B" preferred share. Holders of preferred shares, whether class "A" or class "B," are entitled to six votes per share and have exactly the same rights as to dividends and assets. Holders of common shares are entitled to one vote per share.

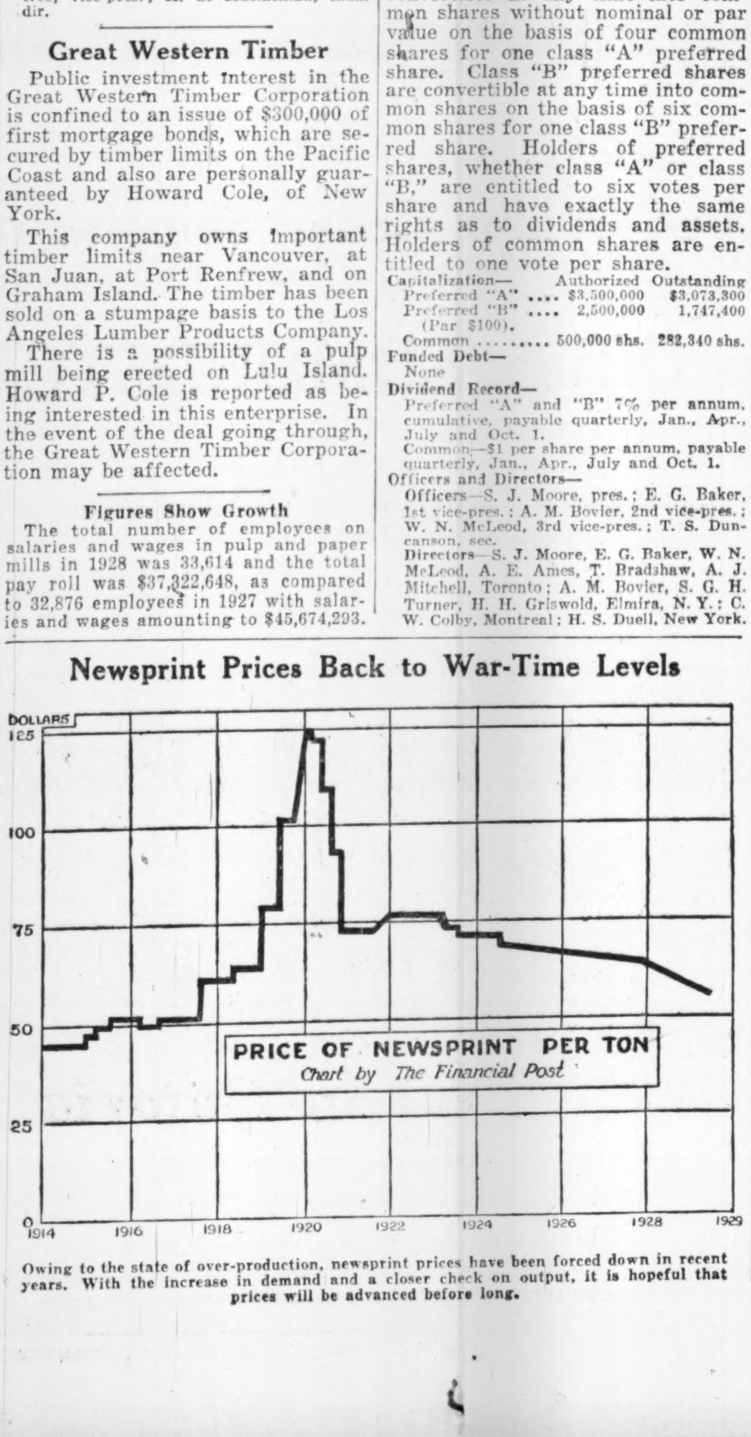
Capitalization—	Authorized	Outstanding
Preferred "A"	$3,500,000	$3,073,300
Preferred "B" .... (Par $100).	2,500,000	1,747,400
Common	500,000 shs.	282,340 shs.

Funded Debt—
None

Dividend Record—
Preferred "A" and "B" 7% per annum, cumulative, payable quarterly, Jan., Apr., July and Oct. 1.
Common—$1 per share per annum, payable quarterly, Jan., Apr., July and Oct. 1.

Officers and Directors—
Officers—S. J. Moore, pres.; E. G. Baker, 1st vice-pres.; A. M. Bovier, 2nd vice-pres.; W. N. McLeod, 3rd vice-pres.; T. S. Duncanson, sec.
Directors—S. J. Moore, E. G. Baker, W. N. McLeod, A. E. Ames, T. Bradshaw, A. J. Mitchell, Toronto; A. M. Bovier, S. G. H. Turner, H. H. Griswold, Elmira, N. Y.; C. W. Colby, Montreal; H. S. Duell, New York.

Newsprint Prices Back to War-Time Levels



Owing to the state of over-production, newsprint prices have been forced down in recent years. With the increase in demand and a closer check on output, it is hopeful that prices will be advanced before long.

Brown Corporation

Making Steady Progress — Contracts for Power Supply

Brown Corporation, operating at La Tuque, P.Q., is largely a family concern, though there is a public investment interest in the senior securities of this enterprise. At one time Canadians had an interest in the preferred stock of this company, but this issue was called. Later, the Brown Company, the parent organization in United States, made a $10,000,000 bond issue, some of which was sold in this country.

The financial rating of this company is high. It operates extensively, not only in Canada, but in New Hampshire, where it has large properties.

Brown Corporation's activities in this country centre around La Tuque, where it operates a mill of a daily capacity of 240 tons of sulphate pulp. In addition, the company manufactures kraft, paper cores, and also has a small production of chemicals, principally turpentine.

It is likely that this organization will undertake further development work, in view of the fact that within recent months it signed a contract with the Shawinigan Water and Power Company for the delivery of a maximum of 15,000 h.p. To this end the Shawinigan Company is building a transmission line from Shawinigan Falls to La Tuque.

Capitalization—	Authorized	Outstanding
Common .... ($100 par).	$12,500,000	$12,500,000

Eintire stock owned by Brown Co.

Funded Debt—
None.

Officers—
H. J. Brown, pres., Portland, Me.; O. B. Brown, vice-pres. and treas.; W. R. Brown, asst. treas.; and P. Brown.

New Sulphate Plant

The Barium Reduction Company of Charleston, West Virginia, will shortly begin the construction of a large sulphate plant about 60 miles south of Moose Jaw, and a spur track from Ormiston to the mineral field is now being laid by the Canadian Pacific. The company is said to have contracted with the International Nickel Company at Sudbury to supply 25,000 tons of sulphate annually.

Start New Air Service

The Schlee-Brock Aircraft Corporation of Detroit announce plans for a daily air service between Fort William and Duluth. Hydroplanes capable of carrying six to eight persons will fly each way daily.

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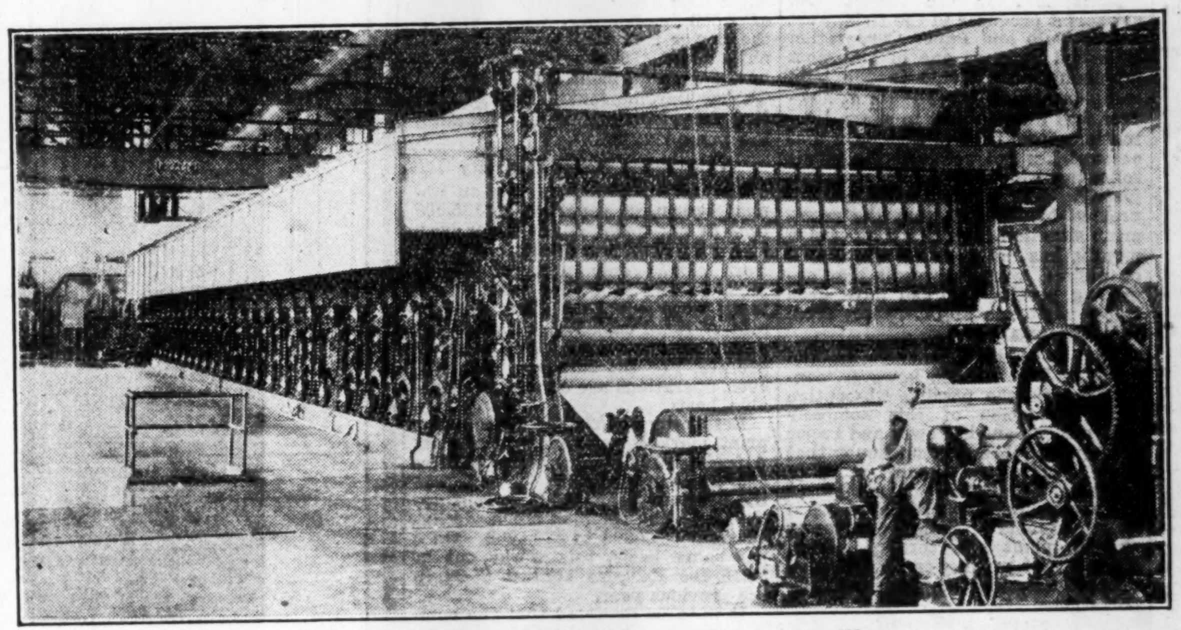

120-ton Newsprint Machine at Bromptonville.

BROMPTON

Newsprint Paper : Kraft Paper : Fibre Paper
Container Boards : Pulp Boards
Groundwood Pulp

"Brompton Products are made to sustain a reputation"

Claremont Paper Co.
INCORPORATED
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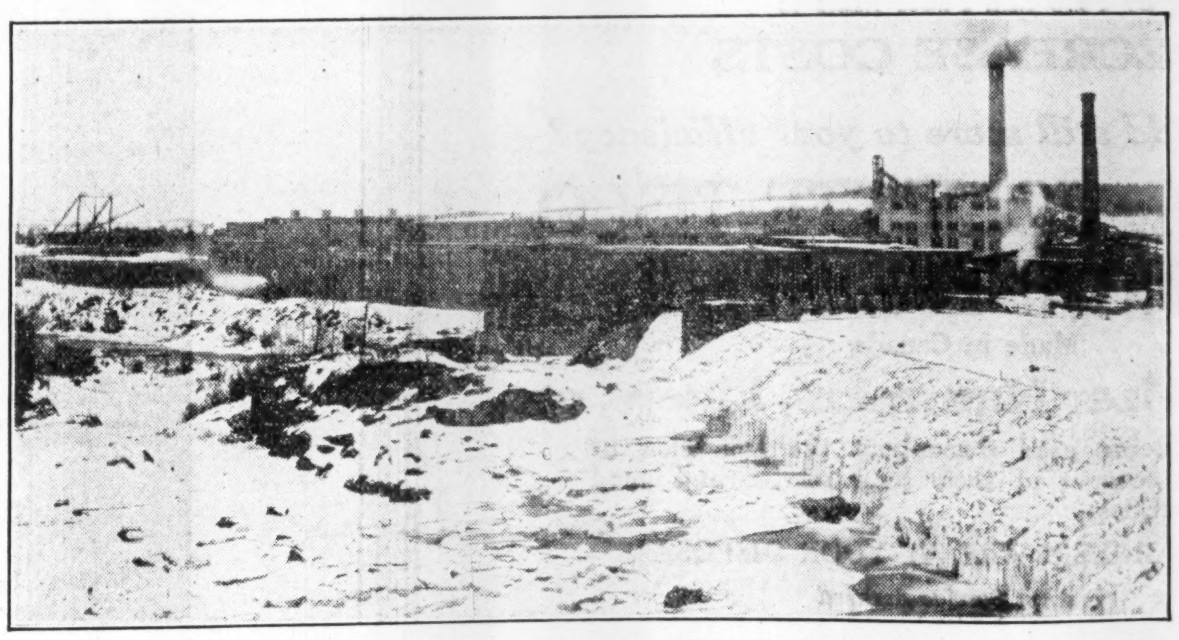
Sales Dept.: 33 WEST 42ND ST., NEW YORK
Claremont Kraft for Bags, Envelopes and Wrapping

Dominion Lime Co.
Head Office: EAST ANGUS, QUE. Quarry and Kilns: LIME RIDGE, QUE.
Daily Capacity:
Lump Lime .... 100 tons
Hydrated Lime .... 75 "
Pulverized Limestone .... 125 "

Mills and Executive Offices:
East Angus, Que.

Sales Department:
Drummond Bldg., Montreal

PULP & PAPER



Exterior View of the New Newsprint Mill at Bromptonville.

Lake St. John

Maintaining Position, Though Output Less Than Rating

Investment interest in Lake St. John Power and Paper Company is as active as in some of the other companies, being confined chiefly to the preferred stock and the first mortgage bonds.

Last year the company was able to earn its bond and debenture business, but was unable to meet the dividend requirements on its 7 per cent cumulative preferred stock. However, the earning figures were not representative of what the company could do under normal conditions. The first newsprint machine did not start operation until the middle of February, 1928, and the second machine only came into operation about the middle of March of the same year. Thus the current year will witness a full twelve months production of the company's two newsprint machines, which are operating around 75 per cent of capacity.

Plant Highly Efficient

The rated capacity of the plant at Dolbeau, P. Q., is in the neighborhood of 220 tons a day, but the machines have shown the high operating efficiency and have produced over 270 tons of newsprint in one day. Ultimately it is proposed to install additional equipment, bringing the capacity of the plant up to 440 tons daily. In view of the newsprint situation, it is not likely that active steps along this line will be taken for some time.

Lake St. John Power and Paper Company is in the fortunate position of having its output contracted for a period of ten years. An agreement was entered into with the North American Newspaper Alliance, the Hearst organization, whereby the full output of the plant was contracted for on a sliding scale of prices, dependent on the current market.

The company's limits cover about 1,000 square miles, estimated to contain not less than 6,000,000 cords, sufficient to supply raw material to the mills for 60 years. The company has favorable contracts with the Duke-Price Power Company and also has water power sites capable of developing 20,000 horsepower at low cost.

Building Hydro Plant

At the moment work is proceeding on the construction of a plant, adjoining the mill at Dolbeau, to utilize the water power site. The output of this plant, when completed, will be absorbed by the newsprint mills.

Further, the company has potential power sites capabable of producing 50,000 horsepower, so that future needs are amply provided for.

On account of its low cost wood and power, together with a fairly modern mill, Lake St. John Power and Paper ranks among the low cost producers. While the current situation does not permit of operation, the outlook for the company is promising and in time, earnings on the common should be substantial.

In common with the other organizations in the newsprint group, there is talk of Lake St. John being merged with some of the larger producers. Credence is given to this story by the fact that the interests behind Lake St. John, St. Lawrence Paper Mills and Brompton Pulp and Paper are closely allied.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 shs.	100,000 shs.
Pref. 7% cum. .... ($100).	$4,000,000	$3,600,000

Funded Debt—
6½% first mortgage sinking fund bonds, due 1947; authorized and issued $5,000,000.
6½% mortgage debentures, series "A," due 1942; authorized $7,500,000, outstanding $3,000,000.

Dividend Record—
Preferred—7% per annum, payable quarterly, cumulative from July, 1, 1928.

Officers and Directors—
Officers—H. Horsfall, pres.; A. L. Fullerton, vice-pres.; John Stadler, gen. mgr.; T. A. Gass, sec.; A. J. Patterson, treas.
Directors—H. Horsfall, A. L. Fullerton, A. A. Gass, R. O. Sweezey.

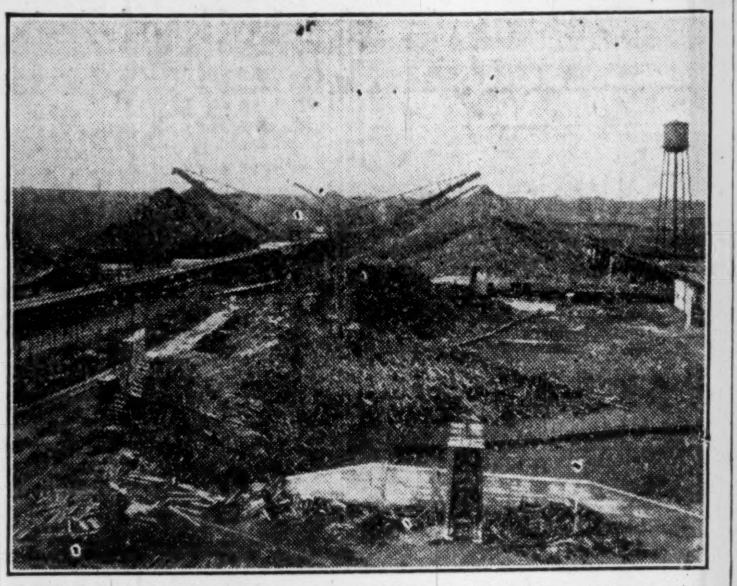
INCOME AND SURPLUS ACCOUNT
Year End. Feb. 28, 1929

Mfg. profit for year	$913,320
Sundry revenue	7,246
Gross profits	920,566
Less Sundry interest	44,509
1st mtge. bond int.	325,000
Debenture int.	195,000
Net profits	356,057
Less: Depreciation	192,900
Income tax	13,000

Greater Investment Appeal

At the end of 1928 there was $685,687,459 invented in the manufacturing part of the Canadian pulp and paper industry. This compares with $579,853,552 for 1927, an increase of 18.3 per cent.

Not Matchwood, But Logs for Pulp Manufacture



This view is typical of that to be seen in the vicinity of the newsprint plants operating in Canada. Owing to the large supplies of easily accessible pulpwood, the newsprint industry has recorded its amazing growth.

Port Alfred Corp.

Recognized as Lowest Cost Producer in Industry and on That Account Favored by Investors—Higher Scale Operations Would Make Earnings Very Substantial

Recognized as the lowest cost newsprint producer in the field, Port Alfred Pulp and Paper Corporation is looked upon as one of the most promising investments in the pulp and paper industry. The stock, however, has been subject to sharp fluctuations from time to time. On that account has not received the public following which its merits probably justify. The stock is further depressed by the fact that the newsprint situation over the past twelve months has not been all that could be desired, with the result that operating profits recorded have been below what one might expect from this organization.

The speculative interest in the stock of Port Alfred, however, centres around the possible absorption or consolidation of this company with either Canada Power and Paper or Abitibi. There is no doubt that this organization would prove a valuable acquisition to either of these companies, particularly, as it has valuable timber resources and its plant is favorably located for low cost production, distribution of products, and economical transportation.

Stands to Benefit

When the time comes, that the newsprint producers of this country will receive a better price for their product, then Port Alfred's earning power should go ahead rapidly. Meanwhile, the position of Port Alfred's stock closely reflects the industry as a whole.

The company's properties are thoroughly modern; the construction of the newsprint mill was completed only three years ago. The plant is located on tidewater on the Saguenay which permits the loading and unloading of ocean vessels during seven months of the year. The capacity of the mill is rated at 600 tons of paper and sulphite daily, or an annual capacity of about 135,000 tons of newsprint and 45,000 tons of sulphite pulp. There are four newsprint machines, together with the necessary instrumental equipment, in operation.

Extensive Timber Limits

In its timber limits, Port Alfred has an asset of considerable value. The total pulpwood supplies available are estimated to exceed over 20,000,000 cords. Timber areas include 2,900 square miles leased from the province and 49,000 acres of freehold limits.

In addition the corporation has rights direct from Chicoutimi Freehold Estates Limited, a wholly owned subsidiary of Quebec Pulp and Paper Corporation, to cut wood on the timber areas of that company which owns freehold areas of 400,000 acres of timber lands on the Peribonka River.

Other properties include a third interest in the Anticosti Corporation, owners of the Island of Anticosti, estimated to contain 15,000,000 cords of pulpwood and a half interest in the assets and undertakings of the Quebec Pulp and Paper Corporation. Both of these companies are reviewed independently elsewhere.

In addition the corporation owns two water powers on the Ha Ha River with a total developed capacity of 2,500 horsepower, which supply the power requirements of the sulphite plant. Further the company has favorable contracts with the Quebec Development Company Limited for electrical power operating the newsprint mill.

Operations Below Capacity

Though the company has an annual operating capacity of 135,000 tons of newsprint it has never been able to reach that figure. In 1926, Port Alfred only produced 75,751 tons. In the following year operations were equal to about 62 per cent of rated capacity, while for the past year operations were not much greater. For the current year, however, operations are on a more equitable basis.

Respecting the change in the newsprint market, net earnings of Port Alfred for 1928 amounted to $1,929,536, as compared with $2,266,365 in the previous year. The amount applicable to the common stock, declined from $817,393 to $258,262. On a per share basis, this works out at $2.15 for 1928, as against $6.77 in the previous year.

It is to be expected that the company will be able to better this statement for 1929, though no marked improvement is expected to take place until newsprint prices advance.

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	120,000 shs.	120,000 shs.
Pref. 7% cum. ($100 par).	$6,000,000	$6,000,000

Funded Debt—
5½ per cent first mortgage sinking fund bonds, series "A," due 1957; outstanding $14,999,667 (consisting of $10,133,000 series "A" bonds, and $4,866,667 debenture stock, series "A.")

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Mar., June, Sept. and Dec. 15.
Common—None paid.

Officers and Directors—
Officers—Sir Herbert S. Holt, chairman of the board; George M. McKee, pres.; Arthur Cross, vice-pres.; R. O. Sweezey, vice-pres.; Alfred Wagner, sec.-treas.; G. Wilfred Hodgson, compt.; J. W. Hodgson, R. W. Louthood, J. E. Ward, asst. sec.-treas.
Directors—Sir Herbert S. Holt, George M. McKee, Arthur Cross, R. O. Sweezey, E. A. MacNutt, Montreal; J. H. Gundy, Toronto; C. E. Taschereau, Quebec.

Properties—
Properties include complete sulphite mill, 4 newsprint machines and equipment, and sulphite pulp digester. Total annual capacity 135,000 tons newsprint paper and 45,000 tons sulphite pulp. Timber limits have estimated pulpwood content of 20,000,000 cords.

INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1928 $	1927 $	1926 $
Gross earn.	......	......	1,260,930
Less: Gen and admin. exp.	......	......	119,990
Net earn.	1,929,536	2,266,365	1,140,940
Less: Deprec.	432,898	492,942	260,363
Int. accr.	818,376	537,030	381,825
Net profit	678,262	1,236,393	498,752
Less approp. pref. divd.	420,000	420,000	222,122
Surp. for yr.	258,262	816,393	276,630
Times Int. Earn.	*1.83	*3.30	*2.31
Dividend Record and Earnings per Share—			
Preferred:			
Earned	$11.30	$20.61	$8.31
Paid	7%	7%	7%
Common:			
Earned	$2.15	$6.77	$3.23
Paid			

*Bank interest only.

Market Record—

	1929† H	1929† L	1928 H	1928 L	1927 H	1927 L
Preferred	100	90	108	95	102½	95
Common	93	50	150	54	100	55

CASTINGS

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PULVERIZERS ARE INSTALLED
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Why not add still more to your efficiency?

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OUR ENGINEERS ARE AT YOUR DISPOSAL
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Glossary of Words Used to Describe Industry

The Meaning of Sulphate, Kraft, Sulphite and the Composition of Various Pulp and Paper Products Described for the Investor

Any investor who for the first time turns his thoughts toward the pulp and paper industry is perhaps slightly puzzled by the phraseology of the newspaper writer who glibly talks of such things as machines and tonnage, or sulphite and groundwood. Thus a small glossary of the terminology used in non-technical discussions of the industry may prove perhaps of some practical use to those who for the first time are beginning to take an interest in Canada's largest industry. It follows:

News or newsprint—The grade of paper upon which the ordinary daily newsprint is printed.

Pulp—Just what its name implies. Ground up or disintegrated logs. This is accomplished by two processes, one of which produces mechanical or groundwood pulp and the other, chemical pulp.

Groundwood, or mechanical, pulp—is manufactured by pressing the logs against large grindstones upon which water is sprayed. The result is a milky white mush.

Chemical pulp—Is of three types: Sulphite, sulphate and soda. The logs are broken into small chips about an inch in length. These chips are cooked in a digester under steam with a weak acid or alkaline solution. Thus the fibres in the wood are broken up by chemical, instead of mechanical means as with groundwood pulp.

Sulphite pulp—Is used in the manufacture of high grade paper. About 25 per cent sulphite and 75 per cent mechanical groundwood goes into the making of an ordinary sheet of newsprint.

Sulphate pulp—The toughest of all the family. Is largely used in the manufacture of wrapping paper, or any other paper in which strength is required.

Kraft—Another name for either sulphate pulp or for the paper which is made from this pulp.

Machines—A name applied to the intricate machinery which at one end takes a layer of thin water pulp and by rolling and heat produces at the other end the strip of paper. A 100 ton machine means one which will roll this amount of paper in a day.

Pulpwood—Is mostly composed of spruce, with smaller proportions of balsam and hemlock.

Wood pulp—Another name for pulp.

Various Kinds of Paper

Each grade of paper is made from a combination of various types of pulp. It will be of interest to trace out the combination of the various types of paper. No hard and fast rule can be laid down for the blending of pulp to make paper, as pulps from the same mill often vary, and a definite grade is often the result of experimentation.

Book paper—This may be said to be made on an average from about 40 per cent soda and 35 per cent sulphite pulp. Old book paper, rags, and limited quantities of other material supply the remaining 25 per cent. Of a total of around 725,000 tons in 1923, Canada supplied about 31 per cent of the American pulp requirements. The largest factor in the American imports, totaling 27 per cent, and that which is growing most rapidly, is pulp, almost all sulphite. More than half of this is from Canada.

Wrapping paper—This product averages in its composition about 40 per cent of sulphite pulp, 25 per cent of sulphite, 17 per cent of mechanical and 9 per cent of manila stock and the remainder of other material.

As in book paper, the material for wrapping is mostly imported as pulp into the United States. A total of about 27 per cent of that country's requirements comes in about equal amounts from Canada and the continent.

Boards—Some 80 per cent of the contents of cardboard comes from all sorts of waste paper and straw. The 20 per cent of new pulp which normally goes into the manufacture consists of sulphite, sulphate and mechanical pulp, each to the extent of about one-third of this 20 per cent. Twenty-six per cent of the American requirements for cardboard are imported from Canada.

Newsprint paper — Seventy-five and twenty-five per cent represent the average contribution of mechanical and sulphite pulps to newsprint paper. The United States supplies itself with only 40 per cent of its newsprint requirements.

Other kinds of paper—For the making of other kinds of paper the manufacturer experiments until he finds the most suitable combination of the various forms of pulp for the type of paper which he wishes to produce.

Quebec Forest Fires Less During Past Year

The Forest Protection Service reports a great decrease in the number of forest fires in Quebec during 1928, the number having been only 295 as against 514 in 1927.

April was the month during which most fires occurred last year, there being 87, or over 25 per cent of the year's total. June, which had 65, came next, followed by August with 55; July, with 49; September, with 26; April, with 13 and October, with 5.

Ninety-five of the fires damaged less than one-tenth of an acre, while 53 of them only between one-tenth and one acre.

Aerial view of the Fraser plants. In the foreground the fine and catalogue paper mills at Madawaska, Maine, which is directly connected by pipe line with the *bleached sulphite pulp mill at Edmundston, N.B., shown in the circle.*

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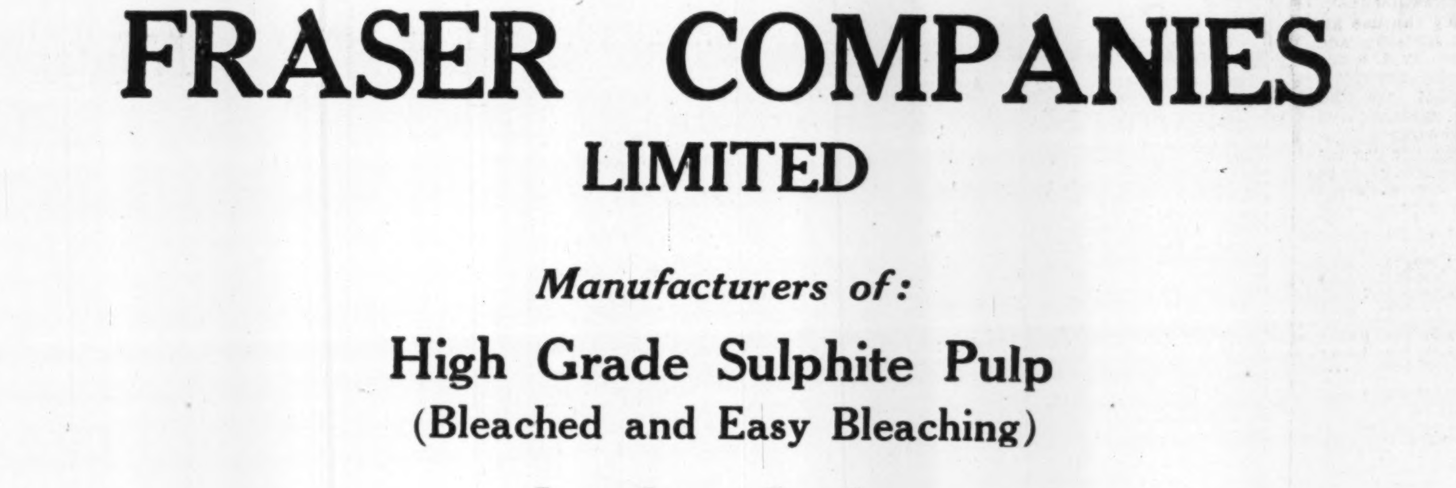
(Bleached and Easy Bleaching)
Lumber, Laths,
Shingles, Railway Ties

Specializing in:
Dressed Lumber, White Cedar Shingles

Operating and Sales Office: EDMUNDSTON, N.B.



Bleached Sulphite Pulp Mill at Edmundston, N.B., (before additions recently completed)

Firstbrook Boxes

Company's New Plant at Mount Dennis Has Come Into Complete Operation

Firstbrook Boxes, within the past few months, have become ensconsed in their new premises erected in Mount Dennis, a suburb of Toronto, and already substantial increases in business are being experienced. Now that operations are combined in one plant very material reductions from the standpoint of costs are anticipated. It is difficult, after the elapse of so small a length of time, to estimate just what these will amount to nor to foresee the savings that will ensue as a result of the adoption of "straight line production," for which the new plant was expressly designed. It is obvious, however, that such reductions and savings should be of very material importance, particularly as reduced operating costs should enable the company successfully to reach out for new volume. But altogether aside from the purely operating economies, important savings will be attained through the elimination of duplicate staffs and the taxation of factories previously situated some distance apart.

In the present fiscal year, which coincides with the calendar year, there has been, according to Victor Donaldson, the president of the company, a most pleasing increase in sales. Before removal to the new plant certain of the departments were working overtime to fill orders on hand. With the installation of new equipment in the present premises, however, the company is capable of taking care of a greatly increased volume of business without the necessity of overtime operation, which naturally has reduced the cost of production. It may be mentioned further that, despite very considerable difficulties inherent in the removal of large operating plants, production was only slightly curtailed during the period of transference of plant and equipment to the present location.

Factory Well Equipped

The new factory of the company is located on a valuable manufacturing site of ten acres, which is located most advantageously on the main line of the Canadian Pacific Railway. Sidings and switches have been built on the premises so as to facilitate reception of raw material and despatch of manufactured goods. The building is of brick and mill construction and has a total floor area of about 130,000 square feet. The plant is said to be the most modern in the Dominion devoted to the combined manufacture of wooden boxes, corrugated paper shipping units and paper cartons. Owing to the economic and large scale manufacturing facilities provided by the new plant, the company is in a dominant position in the container and carton industry in Canada.

Firstbrook Boxes anticipates an increasingly profitable business through the wider adoption of the carton type of container. Realizing the trend of the change in packing biscuits and other food products from tins to cartons, Canada Cartons, Ltd., in 1924, arranged for exclusive rights in Canada and the British Empire from the Robert Gair Company, of New York City, to manufacture their special type of shipping containers. Firstbrook Boxes possesses this right for four years yet, dating from July 1 of this year; they can use all designs, engravings, inventions, and patents, etc.; originated by the research department of the American company mentioned, who are the largest producers of cartons and shipping containers in the world. The development of these manufacturing rights is another element which it is anticipated will most favorably reflect on the company's future business.

Progress of Company

The present company was formed in 1928 to take over the assets of Firstbrook Boxes, Canada Cartons and the Rudd Paper Box Company. The latter is a large manufacturer of wood boxes, box shooks, corrugated paper boxes, folding cartons and display boxes. The original business of Firstbrook Boxes was founded in 1867 by William Firstbrook and taken over by two of his sons in 1879; the company operated two plants, one at Toronto and the other at Thessalon, Ont. The manufacture of corrugated paper boxes was commenced in 1925. The Rudd Paper Box Company purchased the business of the old Elliott Paper Box Company in 1907 and a factory was then erected on Richmond Street. Additions have been made at various intervals since. In 1924 Canada Cartons was formed to develop in Canada and the British Empire the rights to the patents of the Robert Gair Company, covering special types of shipping containers. Subsequently, in 1928, Canada Cartons was incorporated and acquired the assets and business of the Rudd Paper Box Company. The charters of both these companies are still alive but the entire operations are handled directly by the new company, Firstbrook Boxes.

Capitalization—	Authorized	Outstanding
Preferred .... (Par $100)	$1,000,000	$500,000
Deferred .... (n.p.v.)	3 shs.	3 shs.
Common .... (n.p.v.)	90,000 shs.	60,000 shs.

Funded Debt—
6% first mortgage bonds, due 1948, issued and outstanding $500,000.

Dividend Record—
Preferred 7 per cent. per annum, payable quarterly, Mar., June, Sept. and Dec. 15.
Common—None paid.

Officers and Directors—
Officers—John Firstbrook, chairman of board; E. V. Donaldson, pres. and gen. mgr.; W. H. Firstbrook, vice-pres.; H. H. Vanderburgh, sec.: S. W. C. Palmer, treas.
Directors—J. Firstbrook, E. V. Donaldson, W. R. Firstbrook, J. A. Gairdner, G. H. Muntz, O. A. Doherty, Toronto; G. E. W. de Clercq, New York.

INCOME AND SURPLUS ACCOUNT
For 7 Months Ending Jan. 5, 1929

Net earnings	$100,807
Less: Ext. exp.	7,852
Deprec.	33,370
Bond int.	11,713
Res. for tax	4,600
Net profit	43,272
Less appropriations:	
Pref. dividends	11,772
Surplus forward	$31,500

Market Record—

	*1929 High	Low
Preferred	96½	93

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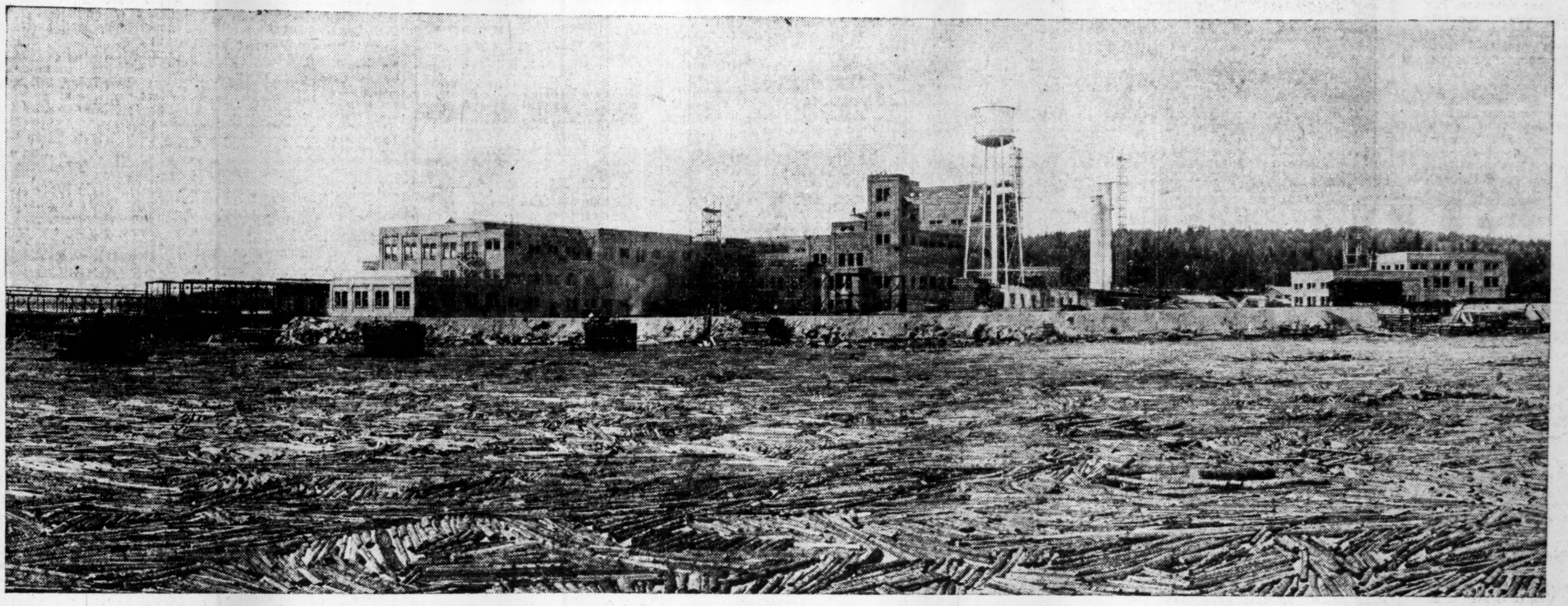
*To Sept. 16.

Bear River Pulp

Bear River Pulp Company Limited, with head office in Toronto and mills at Bear River, N.S., has been in liquidation for sometime. The mills are at present idle and there is no indication that operations will be resumed.

The company owns some 50,000 acres of timber lands and has under license an additional 10,000 acres. The plant is equipped to handle 45 tons of sulphate pulp per day.

The Foundation Company of Canada Limited and Associated Companies is one of the largest Engineering and Construction organizations in the world



View of the new mill of the Mersey Paper Company as at August 15th, 1929. The Tide-water picture continues from the left of the picture.

Seasoned Efficiency

in Pulp and Paper Mill Construction

EXPERIENCED efficiency in pulp and paper mill construction promotes speedy yet thoroughly competent results. A capably and swiftly constructed mill permits its earning power to begin without costly delay. Its efficient construction is the background for effective administration and economical production.

The Foundation Company of Canada is equipped through wide familiarity and experience with the construction needs of the industry to meet the many and varied requirements of pulp and paper mill construction.

The 250-ton newsprint mill of the Mersey Paper Company Limited at Liverpool, Nova Scotia, is the most recent evidence of The Foundation Company competency in pulp and paper mill construction.

The contract for this mill was awarded in May 1928 and will be substantially completed by September 1929. The plant consists of a complete unit including groundwood and sulphite mills, boiler house, fresh water supply, etc.

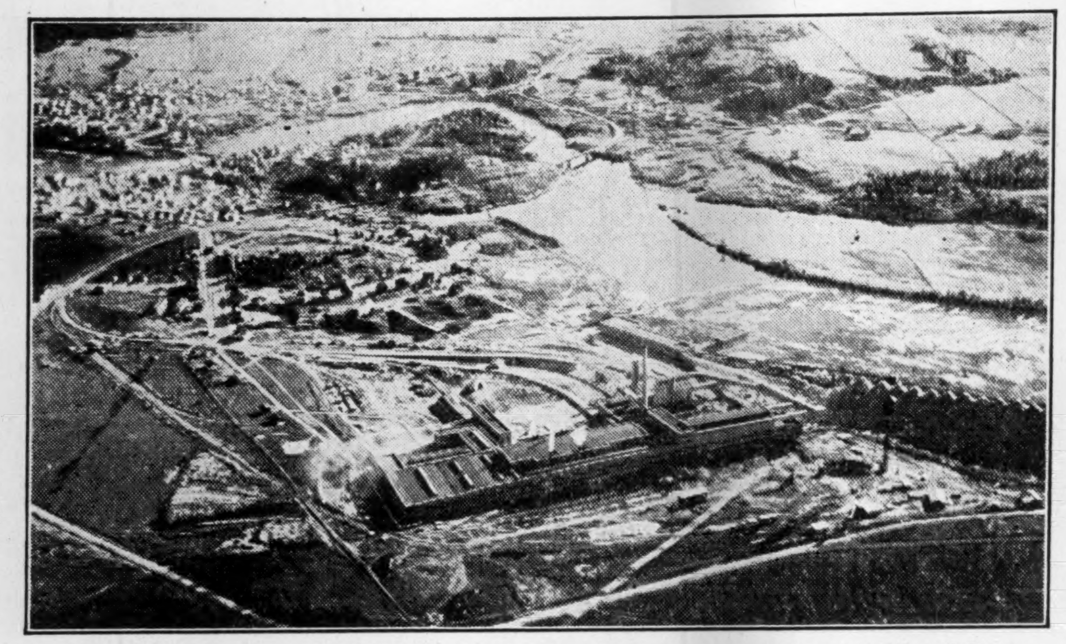
In conjunction with this job, The Foundation Company is also constructing the hydro-power development on the Mersey River for the Nova Scotia Power Commission.

You may entrust your construction programme to The Foundation Company with full confidence.

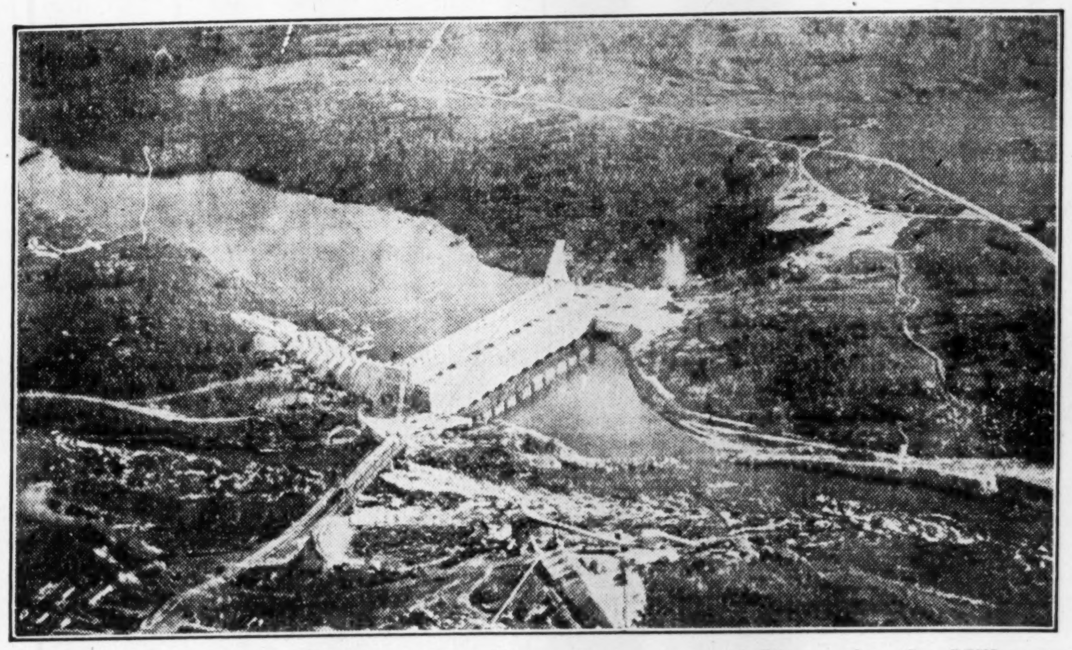
The James MacLaren Company's pulp and paper mill at Buckingham, P.Q., is the latest undertaking in the newsprint industry. The granting of the construction contract to the Foundation Company further emphasizes the extent of the Foundation Company's services in the pulp and paper construction field.

THE FOUNDATION COMPANY
OF CANADA
LIMITED

Associated with The Foundation & Construction Company of Ontario Limited and Foundation Maritime Limited, Halifax, N.S.



Riverbend Mill from the Air — One of the three Pulp and Paper Mills of Price Brothers & Company, Limited



The Duke-Price Power Plant from the Air — One source of Power for the Mills of Price Brothers & Company, Limited

STABILITY

A Great Forest Industry Well-Founded on Economic Essentials — Inexhaustible Timber Areas Easy of Access, Company-Owned Hydro-Power at Hand, and Diversity of Products

Some Salient Facts

Timber areas 8,564 sq. miles
Present Daily Newsprint Capacity

Kenogami — 550 tons
Riverbend — 480 tons
Jonquiere — 35 tons as well as manilla and cardboards

Hydro-Power Resources

Developed — 63,250 h.p.
Undeveloped — 61,000 h.p.
Available h.p. from the Duke-Price development 145,000

Sawmills Annual Production

60,000,000 ft. b.m. of lumber
42,000,000 shingles
13,000,000 laths

Annual sales of Pulp, Paper and Lumber Products exceed $15,000,000.

Peak employment 10,000 workers.

Annual distribution in salaries and wages approximately $5,750,000.

IT IS of interest that the growth and sound progress of Price Brothers and Company in the lumbering and pulp and paper field parallels that of the success of another important Canadian achievement — the growth of McGill University. This fact is mentioned because William Price, the founder of Price Brothers, in 1817 associated himself in lumber operations with James McGill, the founder of McGill University.

The success of both these undertakings and the important part they play in their respective fields in Canada today is but a tribute to the solid foundation on which they are builded plus the adherence of those who came after to the ideals, the initiative, the vision and sound business methods which inspired the founders.

Price Brothers today is in an especially favorable position. Economists agree that the future of Canada's pulp and paper industry is secure with those companies with adequate timber limits readily accessible, low production costs through modern mill efficiency and adjacent low cost hydro-power, and a record of proven management. Price Brothers have well nigh inexhaustible timber limits—further augmented by the recent part purchase of the Quebec Pulp and Paper Mills.

In hydro-power, Price Brothers and Company control water powers of an estimated capacity in excess of 125,000 h.p. with a present developed capacity of 63,250 h.p. In addition, Price Brothers are now using 145,000 h.p. from the Duke-Price Power Company.

The record of management stands. Constant research work and experimentation in improved methods and far-seeing policies are, we believe, maintaining the company's traditional standards of sound management.

Newsprint paper, Manilas and Specialties, Cardboard, Groundwood Pulp, Sulphite Pulp, Pulpwood, Spruce Lumber. Cedar Shingles, Laths, Ties.

PRICE BROTHERS & CO.
LIMITED

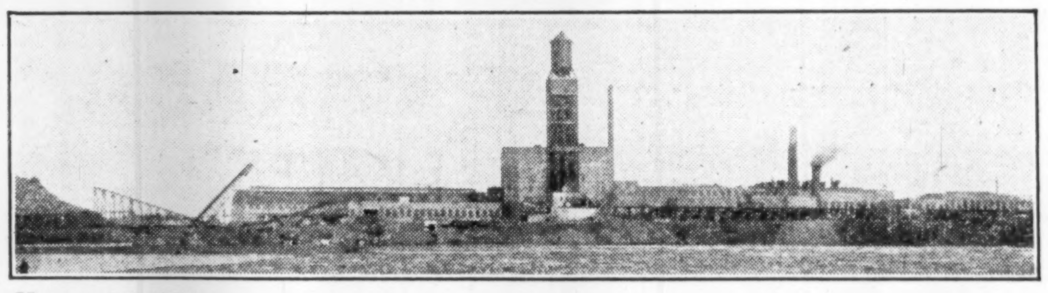
QUEBEC, CANADA

Sales Agent:

PRICE BROTHERS SALES CORPORATION
QUEBEC, CANADA

Pulp and Paper Mills

KENOGAMI
RIVERBEND
JONQUIERE



Kenogami Mill Output 550 tons daily

Saw Mills

SOUTH AND NORTH
SHORES, ST. LAWRENCE
and
SAGUENAY RIVERS

Dryden Paper

Company Finding Good Market for Its Output—Plant Operations High and Arrangements Being Made to Increase Capacity

Progress of Dryden Paper Company during the past two years has been marked. Though the position of the company from an operating standpoint has been steadily on the up grade, it is only since the beginning of the year, that the public has again taken a strong investment interest in this company.

Current operations of the organization are all that could be desired. Production of the plant, which amounts to approximately 15,000 tons a year, is being readily marketed with the result that plant operations have been maintained at capacity level for some time past.

Install More Equipment

A new kraft machine for Dryden Paper Co., which will increase the capacity of the company's present equipment by 50 per cent, is about to be purchased. The contract is not yet let, but it is understood that the company plans to install the mill and have it ready for operation by the middle of next summer.

At the present time, Dryden Paper is producing about 15,000 tons of kraft annually. Its sulphate pulp mill, however, has an annual capacity of 25,000 tons. Presumably the new kraft machine will bring the company's output of finished product into line with its production of sulphate pulp.

Although no official statement is available as to the actual projected capacity of the new machine, it is thought that the machine will have an annual capacity of about 7,500 tons annually. In view of the capacity of the company's sulphate pulp mill, a 10,000 ton mill could be handled, but as the company markets some of its sulphate pulp in the bordering States of Minnesota and thereabouts, it is unlikely that the kraft mill will be stepped up immediately to the full limit of the company's capacity.

Had Varied Career

It will be recalled that Dryden Paper was originally formed in 1910 as the Dryden Pulp & Paper Company. At that time financing was carried out in England, with a small Canadian participation. The English holdings were bought out in 1920, and the company was re-incorporated as the Dryden Paper Company.

In the years that followed the company got into financial difficulties, and in 1923 the directors announced that finances were such that they could not personally guarantee further advances by the bank, and as the outlook was still uncertain they deemed it advisable that application be made for a receivership. The lien note and debenture stockholders agreed and a receiver was appointed on October 2, 1923.

From 1920 to 1923 the company put $2,250,000 new money into the business, of which some $1,600,000 was spent in betterments and additions.

Developed Earning Power

For five years Dryden Paper remained in the hands of the receiver. While it is true that before the expiration of the receivership, the company had worked itself into a strong financial position and had developed an earning power sufficient to wipe out all indebtedness and in addition establish a surplus, interests behind the company decided not to lift the receivership until they were in a position to carry out a financial re-organization.

In December last the receivership was lifted and refinancing carried out. A new issue of $2,000,000 first mortgage bonds was authorized, of which $1,500,000 was issued, and 50,000 additional shares of common stock. Proceeds of these issues were used to retire the company's $1,000,000 in debenture stock at 105; $304,000 lien notes at par; and $550,000 in bank loans. The common stock was offered to shareholders at $25 a share on the basis of two new for five old, and 10,000 shares were accepted by the debenture holders in lieu of areas of interest.

As a result of this re-financing, the company's capital set-up now includes $1,500,000 of bonds and 150,000 shares of no par value common stock.

Property Up to Date

The properties of the company centre around Dryden, Ontario. Timber limits consist of about 1,100 square miles and are held under 20 year renewable leases from the Ontario Government. The limits are estimated to contain about 2,000,000 cords of pulpwood, which is about 50 year's supply at the present rate of consumption, without allowance for reforestation, and purchase from other sources. The limits are being conserved by the purchase from settlers of more than half of the wood which is consumed annually by the mill.

Further the company is fortunate in having its own power site, which has been developed to the extent of nearly 10,000 horsepower.

The pulp and paper plant is of modern type, has an annual capacity of 25,000 tons of sulphite pulp, of which 15,000 tons are manufactured into the finished product.

Good Market in West

Unlike some of the other kraft producers, Dryden occupies a strong position in respect to ability to market its output. Of the 15,000 tons of kraft produced annually, over 11,000 tons is diverted under contract to the Bates Valve Bag Company, which signed an agreement with Dryden late in 1928 to take some 75 per cent of the total output for a period of five years. Further, the Bates people agreed to put up a plant at Dryden, and this establishment is now in operation.

For the balance of the output Dryden has built up a good market in the west, especially with the departmental stores and other large consumers. Though Dryden has ability to place its products in the east, it has been content to concentrate on the western market, where it can market its output with little or no trouble.

Expect Good Report

Operating results of the company for the year ended September 30, 1929, the first year since the lifting of the receivership, are expected to show earnings along the lines anticipated. Net earnings for the three years prior to the dissolving of the receivership, showed a steady and substantial growth from year to year. For the year ended September 30, 1926, net earnings after deducting all operating charges, maintenance and repairs, but before depreciation, depletion and taxes, totalled $223,558. During the following year earnings on the same basis amounted to $274,497 and for the fiscal year 1928 to $324,169.

Profits for the current fiscal year are expected to show an increase over those reported for 1928, but it is doubtful if more than $2 a share will be reported on the common stock in view of the reorganization expenses which the company will have to write off. In addition there will be underwriting expenses, etc., which will make further inroads upon earnings. Consequently there is no reason to expect that a dividend will be paid on the common stock for some time to come. The management will undoubtedly conserve its finances by establishing large reserves for depreciation and other charges and generally strengthening the company's financial position.

Long Hold Stock

The common stock of Dryden is looked upon favorably. While it is realized that the company will not pay a dividend in the immediate future, large reserves are being built up and earning power steadily increased, so that the equity behind the common stock grows more important from day to day. There is reason to believe that over the next two or three years the company will have built up a well-established earning power, by which time Dryden Paper stock will show its holders a good profit.

Capitalization—

	Authorized	Outstanding
Stock (n.p.v.) ..	150,000 shs.	150,000 shs.

Funded Debt—
6% first mortgage bonds, due 1949, outstanding $1,500,000.

Dividend Record—
No dividends paid.

Officers and Directors—
Officers—John H. A. Acer, pres.; F. A. Sabbaton, vice-pres.; J. S. Wilson, gen. mgr.; H. Humphreys, treas.; E. S. Pincott, sec.; W. F. Robinson, asst. sec.

Directors—John H A. Acer, F. A. Sabbaton, Geo. Chahoon, P. A. Thomson, Dan McLachlan, J. B. Woodyatt, F. Perry, E. R. Parkins, K.C., Montreal.

EARNINGS

Net earnings for the past three years available after deducting all operating charges, maintenance and repairs, but before depreciation, depletion and federal taxes, have been as follows:

September 30, 1926	$223,558.52
September 30, 1927	274,497.23
September 30, 1928	324,169.11

Market Record—

	*1929 H	*1929 L	1928 H	1928 L	1927 H	1927 L
Common	35¼	20	56	23	37	10

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* To Sept. 12.

Georgetown Paper

Control of the Georgetown Coated Paper Mills was acquired lately by C. Howard Smith and Harold Crabtree, both of whom have been prominently identified with the Canadian pulp and paper industry for many years past, and at present occupy executive positions with the Howard Smith Paper Mills Company. The new interests acquired complete control of the capital stock of the company and through the new organization, Alliance Paper Mills, assume responsibility for the funded debt of the Georgetown Coated Paper Mills.

Comparison of Fine Paper Mills of Canada

	Mortgage Indebtedness	Preferred	Total Bonds and Preferred	Number of Common Shares Outstanding	Value of Assets Less Current Liabilities
Fraser Companies	$18,189,000	......	$18,189,000	402,476	33,889,581
Howard Smith Paper	7,000,000	4,500,000	11,500,000	220,000	14,975,099
Provincial Paper	5,300,000	3,500,000	8,800,000	100,000	11,321,060
Rolland Paper	2,500,000	1,500,000	4,000,000	60,000	5,422,696

	Capacity in tons per annum Paper	Capacity in tons per annum Pulp	Extent and/or contents of controlled forest assets	Profits available for bond interest and depreciation	Water Powers owned Developed	Water Powers owned Undevelop.
Fraser Companies*	132,000	63,000	4,000 sq. mi. 20,000,000 pulpwood	$1,765,154	2,000	....
Howard Smith Paper	60,000	45,000	3,000,000 pulpwood	1,007,637	2,500	4,400
Provincial Paper	57,000	......	2,500 sq. mi.	1,140,230	....	....
Rolland Paper	8,200	......	Buys and pulp and rag requirements	258,607	2,200	....

*Has huge production of lumber products.

St. Lawrence Paper Mills

Unit Certificates Offer Opportunity for Good Profit With Further Betterment of Industry in View—Now Has Six Machines Installed

Changes for the better in the newsprint industry over the past six months has attracted considerable investment attention to the newsprint stocks. While the older and well established companies have come in for most of the attention, considerable interest is attached to some of the newer companies.

In this class is the St. Lawrence Paper Mills, which carried out financing in May, 1928, the offering being in the form of common stock and units of preferred and common. These units, comprising one share of 6 per cent preferred stock, one share of fully paid common stock without par value and a common stock subscription warrant entitling the holder before April, 1923, to subscribe for one half share of common stock at $40 a share, were offered at $78 a share. Additional calls at $25 each were to be made on the units conditional upon the company installing additional newsprint machines.

Install Two Machines

At the beginning of the year St. Lawrence Paper Mills' plant had a capacity of 300 tons daily. Early in the spring two new machines of a capacity of 150 tons, were installed, bringing the total capacity up to 450 tons. In view of the current situation in the newsprint industry, however, the latter two units are not being operated.

With the installation of machines number five and six, the company made a call on the unit holders of $25 for each unit. The remaining $25 a share can be called by the directors not later than December 31 of this year, but owing to the uncertainty of the newsprint markets, it is not likely, in fact it is reasonably certain, that the directors will not make the call.

Units Partially Paid

The holders of these units, which are listed on the Boston Stock Exchange, and are traded in over the counter in Montreal, have at present only certificates. Before the end of 1929 these certificates will probably be turned in and the holders will receive three fully paid preferred shares for every four 75 per cent paid up shares now held, together with the one share of common stock and the common stock subscription warrant.

The offering price of the units was $103 and the Curb Market value is around $70 to $71. The common stock changes hands at around $24. Hence the market value of the 75 per cent paid-up 6 per cent preferred is only $48. As the preferred stock of each unit is only three quarters paid up, they are yielding $4.50 a share annually, which on the present market value of the unit means a return on the investment of nearly 10 per cent—a very high return when compared with the yield on similar securities.

There are several reasons why the common shares and units appear to be selling out of line with other comparable newsprint securities. In the first place, with newsprint at $55 a ton, the company can earn and meet its preferred dividend requirements. There are no securities ranking senior to the preferred.

Profit and loss account of the St. Lawrence Paper Mills for the period ended December 31, 1928, did not represent a full year, but showed net earnings of $612,447, against which was charged preferred dividends to January 15, 1929, of $461,270, leaving a surplus of $151,177.

Has Good Market

In 1928, the entire output of the mill was sold to 41 publishers. Further valuable contracts have been secured, but in common with the other newsprint companies, St. Lawrence has had to reduce its operations to the average, or around 85 per cent of capacity. It is said that at this rate of operating, and at current newsprint prices, the company can earn its preferred dividend requirements.

The certificates of the units comprising preferred stock, common stock and subscription warrants are secured through a trust company which holds the actual scrip for the $14,250,000 in preferred and for the common shares and the warrants. When the $25 call for units was made last October, the company deposited with the trustee an increase in the amount of preferred stock. When the preferred was only 50 per cent paid up at the time of the original offering, the amount of preferred of the trustee was $9,000,000, as against $14,250,000 at the present time.

On November 2, 1929, the holders of unit certificates will receive the full number of common shares and subscription warrants, but only three quarters of a share of preferred stock for each unit and certificate now held. All this, of course, providing that the last payment will not be called by the company.

The St. Lawrence Paper Mill unit at present levels seems to have a less speculative lure than the common stock, for back of the $14,250,000 of preferred which is in the hands of the trustee for unit holders, the company has assets of some $22,000,000.

Like several other of the independent companies, the St. Lawrence Paper Mills is highly regarded by its customers and, as a consequence, has been able to maintain a scale of operations in its plant larger than those prevailing throughout the industry as a whole. This statement of course, does not apply to 1929 operations, but when the situation adjusts itself, St. Lawrence Paper Mills will be in a position to realize to the full the value of the additional two machines installed this year.

Plenty of Timber

As far as timber supply for future operations are concerned, St. Lawrence Paper Mills is in a strong position. The company, directly, or through its subsidiaries, has licenses throughout Quebec covering limits estimated to contain 9,000,000 cords of pulpwood. In addition the company has a contract up to and including 1943, for 50,000 cords of pulpwod each year. Accordingly pulpwood resources are estimated to be sufficient for 40 years operating at a capacity of 180,000 tons a year, or the maximum output of eight machines, similar in size to those already installed.

Capitalization—

	Authorized	Issued
Common (n.p.v.)	1,000,000 sh.	‡500,000 sh.
Pref. 6% cum. red. ($100 par).	$19,000,000	$14,204,000

Common shareholders were given $110 for each common share held, and the right to subscribe for five new common shares at $32 per share. Preferred shareholders offered $125 pershare.

Stock Issues—
Preferred—$9,500,000 of preferred stock was issued in May, 1928; increased under the special provisions to $14,250,000 October 15, 1928; to be further increased to $19,000,000 before Jan. 1, 1930, if final call is made on the allottment plan, which will be done if expansion of business admits additions to plant.

Common—Of the issued common shares the management have purchased 180,000; 190,000 were offered in units with preferred stock at $28 per common share in May, 1928; 130,000 shares were offered in May, 1928, at $32 per share.

Funded Debt—
None.

Dividend Record—
Preferred—6% per annum, payable quarterly, Jan., Apr., July and Oct. 15.
Common—None paid.

Officers and Directors—
Oficers—Ernest Rossiter, pres. and gen. mgr.; N. A. Timmins, chairman; A. M. Creighton, sec.-treas.

Directors—Ernest Rossiter, N. A. Timmins, A. K. Cameron, H. C. Flood, Sir Charles Gordon, G.B.E., F. E. Meredith, K.C., Lt.-Col. Herbert Molson, C.M.G., J. I. Rankin, G. W. Scott, all of Montreal; E. R. Wood, Toronto; C. M. Miller, W. M. Chadbourne, New York.

Properties—
The company, directly or through its subsidiary, has licenses from Quebec covering limits estimated to contain 9,000,000 cords of pulpwood. In addition the company has a contract up to and including 1943, for 50,000 cords of pulpwood each year. Pulpwood resources are estimated to be sufficient for 40 years operating at capacity of 180,000 tons a year.

ST. LAWRENCE PAPER
INCOME AND SURPLUS ACCOUNT, YEARS ENDING JUNE 30

	**1928 $	†1927 $	1926 $	1925 $	1924 $
Net earnings	612,447	1,143,592	969,695	868,469	785,337
Less: Depreciation	......	360,000	332,619	271,265	271,265
Bond interest	......	302,193	192,774	162,500	28,997
Debenture interest	......	98,382	8,409	......	......
Tax reserve	......	......	......	45,434	......
Bank interest	......	......	......	......	139,778
Net profits	612,447	383,018	435,893	389,270	345,297
Less: Preferred dividend	461,271	200,000	200,000	383,000	......
Surplus for year	150,177	183,018	335,893	6,270	345,297
Add: Previous surplus	538,589	587,460	351,567	345,297	......
Balance carried forward............	689,766	770,478	587,460	351,567	345,297
Dividend Record and Earnings on Capital Stock—Per Share—					
Preferred:					
Earned	a$4.31	$15.32	$17.43	$15.56	$13.80
Paid	3.75	8.00	8.00	8.00+8*	...
Common:					
Earned	.30	3.66	4.71	...	...
None paid.					

** May 8 to Dec. 31, 1928.
† Statements for 1927 and previous years cover twelve-month periods for the old company.
* Arrears.
a Based on 142,000 shares fully paid as at Dec. 31, 1928.

	†1929 H	†1929 L	*1928 H	*1928 L	1927 H	1927 L
Common	25	17¾	112	100	108	35
Preferred	..	..	125½	116	117	104

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* To May 1928, when stock was retired by purchase.
† New company to Sept. 16.

Clyde and Sissiboo

Properties Sold to Mersey Paper for Sum of $200,000

Clyde and Sissiboo Pulp Company officially passed out of existence early this year, when Mersey Paper Company took over the organization from the receiver at a price of approximately $200,000. Proceeds, after allowance had been made for various expenses, were distributed among holders of the 6½ per cent bonds at the rate of approximately 38c. on the dollar.

The sale is a combination of a prolonged effort to find a purchaser for the property administered by the Royal Trust Company, which has been acting in the capacity of both receiver and trustee for the bondholders. In October, 1928, the property was put up for sale by public auction, but no bid larger than the reserve price was received. In April this year, tenders for the purchase of the property were again called and resulted in the sale to Mersey Paper Company.

Groundwood Producer

The property of Clyde and Sissiboo comprise two groundwood mills at Fort Clyde and Weymouth, having an annual capacity of 13,000 tons of groundwood pulp; 31,646 acres of freehold lands and 44,936 acres of leasehold timber limits, and water powers on the Clyde and Sissiboo Rivers.

The issue was guaranteed as to principal, interest and sinking fund by Becker and Company, London, Eng. At the time Becker and Company had no other bond issue under guarantee. The company's entire output was sold to Becker for a period of 20 years, who agreed to dispose of the production.

Control Changes Hands

When Becker and Company came to grief, Edward Lloyd Limited, of London, Eng., assumed control of Clyde and Sissiboo through ownership of the common stock. This firm guaranteed the interest on the bonds so long as it held control of the common stock.

In March, 1928, Edward Lloyd Limited, disposed of its holdings, and the bondholders foreclosed their mortgage on the property.

Clyde and Sissiboo had been operating spasmodically up to the time of its sale to Mersey Paper Company, but profits from operations were not such as to permit any reasonable progress.

Capitalization (formerly)—

	Authorized	Outstanding
Capital stock	$750,000	$750,000

Funded Debt—
First mortgage, 6½ per cent bonds, due 1943, $470,000.
These bonds were guaranteed by Edward Lloyd, Ltd., London, Eng., as long as they remained in control of the company. In March, 1928, Edward Lloyd, Ltd., disposed of their holding in the company the receivers now offer 25c. on the dollar in full settlement of this issue.

Officers—
J. R. Garwood, pres.; H. E. Wagner, mgr.; A. H. Harlow, sec.-treas.

Properties—
Company owns two groundwood mills, having an annual capacity of 13,000 tons of groundwood pulp; 76,000 acres of timber. Property sold by auction, Oct., 1928.

Fourdrinier Wires
UP TO 310 INCHES IN WIDTH
&
Cylinder Covers
All kinds of Wire Cloth for Paper Mills
Dandy Rolls
&
The
Johnson Wire Works
Limited
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Saint John, N. B., Canada

Prime Bleached Spruce
Sulphite Pulp

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NEWFOUNDLAND
and
LABRADOR

Represents one of the Greatest Virtually Untouched Pulp and Paper Sections Remaining in the World

An Era of Expansion in the Pulp and Paper Industry

NEWFOUNDLAND is pre-eminently favored in the extent and distribution of its pulpwood resources. Of the 42,000 square miles of the Island, fully 10,000 square miles are heavily wooded, and this, with the sound policy of conservation enforced by the government, virtually insures an adequate supply for all time.

Newfoundland is undoubtedly a pulpwood rather than a timber section, and, while there is a considerable lumbering industry, it is in the promotion of its pulpwood resources where the great development has been made.

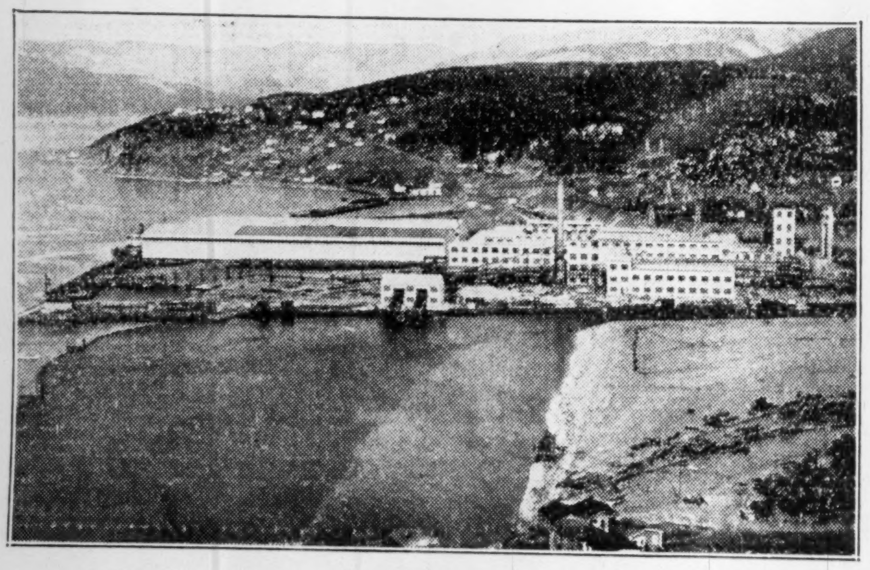
The steady depletion of the world's pulpwood reserves, combined with a steadily growing demand for paper, puts Newfoundland in a peculiarly strong position.

There are a number of factors operating to assure the steady and rapid expansion of this great industry. First and foremost is the geographic location of the Island. As the point of the North American continent nearest to the markets of the Old World, Newfoundland paper has been soundly established in that market, one of its largest plants, the Anglo-Newfoundland Development Company, being largely devoted to serving the steadily growing needs of one of the great newspaper groups of Great Britain. But, geographically speaking, the Island is equally favorably situated to serve the great paper consuming sections of Eastern Canada and the United States.

With the acquisition by the International Paper Company of Newfoundland of the Cornerbrook mills and their substantial development, Newfoundland paper is making appreciable inroads on the American market.

These two great plants represent the bulk of the pulp and paper development of the Island, though there are a number of smaller mills located in somewhat the same neighborhoods.

There is, however, another vast and virtually untouched stand of pulpwood timber, in itself almost exhaustless, that is to be the next substantial forward move. This Gander River project will open up the resources of that great river section and should shortly equal in size the existing plants that are among the largest in the world.



The Cornerbrook Plant of the International Paper Co.

One of the Greatest Untouched Power Sites in the World — Grand Falls, Labrador

Newfoundland's Growing Paper Production

The evidence of the export figures of Newfoundland give some suggestion of the extent of the progress being made in the pulp and paper industry. The figures are as follows:

	Pulp and Sulphide $	Manufactured Paper $
1923-24	531,833	5,423,892
1924-25	215,896	6,272,886
1925-26	175,325	8,383,322
1926-27	56,801	12,517,665

For Further Information Apply

The Minister of
Agriculture and Mines

Government Buildings
St. John's, Newfoundland

Labrador, the Last Great Timber Source

SOMEONE has characterized Labrador as "the Pulpwood Klondyke," and the name is justly placed. The pulpwood resources of Newfoundland Labrador represent the vastest untouched tract of pulpwood remaining in the world.

While relatively little is known of the resources of this great section, some estimate of its pulpwood stands have been made. Back from the coast line the country is thickly wooded, in some places with very fine timber. Of the 110,000 square miles of this section, 60,000 square miles lie within the region of forest growth. Possibly for commercial purposes this total might be cut in half, leaving a total at a very conservative estimate of some 30,000 miles of pulpwood timber eminently suited for paper making.

While certain sections of this enormous tract may be somewhat difficult of access, the vast majority of it is scarcely less accessible than many tracts now being operated elsewhere. The most readily accessible section, and by far the largest, lies about the great estuaries and rivers, notably about the Hamilton Inlet and Lake Melville, while it is not difficult to forsee the possibility of reaching much of this territory by way of the Province of Quebec and the St. Lawrence River.

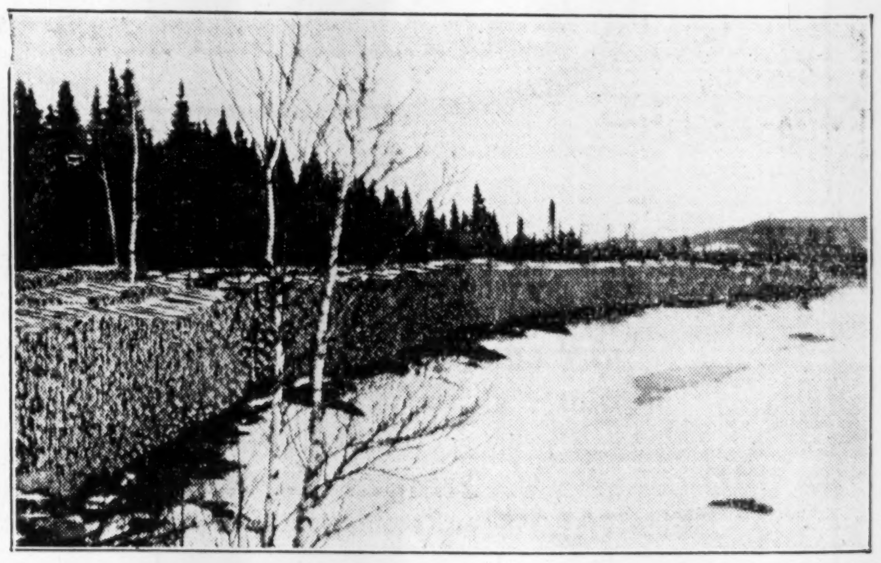
The location of much of this great stand of pulpwood at or closely adjacent to deep water will undoubtedly be one of the largest factors in its ultimate profitable development.

The quality of the wood represented there is of the best. It is very largely spruce, and generally of the black spruce variety that has proven its admirable suitability for papermaking. Of the balance, perhaps about a tenth is represented by fir and birch.

Available Power an Outstanding Factor

Both in Newfoundland itself and in Labrador the immediate availability of substantial power sites is a large factor in the steady development of the paper industry. Virtually every section of both districts is served by innumerable streams, and the peculiar conformation of the land assures valuable power sites at or adjacent to all the great timber tracts.

In Labrador, nature has been peculiarly prodigal in this regard. Grand Falls, on the Hamilton River, is one of the greatest undeveloped power sites in the world, while it is only one of many of first importance. This single factor of availability of cheap power is undoubtedly one of the largest factors in assuring a steady and extensive development in this industry.



Interesting View of Pulpwood and Standing Timber

Second Section Featuring Pulp and Paper

FOURTH SECTION

THE FINANCIAL POST

FOURTH SECTION

Vol. XXIII | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, SEPTEMBER 26, 1929 | 10c. a Copy; $5.00 a Year | No. 39

Pulp and Paper Industry Leads Canada's Industrial Activity In Net Value of Manufacturers

Heads List for Gross and Net Values, Distribution of Salaries and Wages—Second in Capital Invested and Second in Number of Employees

RESULTS IN 1928 BEST IN INDUSTRY'S HISTORY

Gross Value of Production Reaches $233,000,000 Last Year, a Gain of 6.5 Per Cent Over 1927 — Capital Invested Now Exceeds $685,000,000 — Gross Contribution to Favorable Balance of Trade Amounted to $193,670,000 During 1928

The pulp and paper industry is the most important manufacturing industry in Canada; heading the lists in 1928 for gross and net values of manufactured products as well as for distribution of wages and salaries. In total capital invested the industry is second only to electric light and power plants and in total number of employees it is second only to sawmills.

The industry has headed the lists in wage and salary distribution since 1922 when it replaced the sawmills in this respect and it has been first in gross value of products since 1925, exceeding the gross value of flour mill production. In these comparisons, only the manufacturing stages of the pulp and paper industry are referred to, no allowance being made for the capital invested, the men employed, the wages paid nor the products of the operations in the woods which form such an important part of the industry as a whole. Operations in the woods are dealt with in reports on primary forest production owing to the difficulty of separating the production of pulpwood from the production of saw logs and other primary forest products.

Gross Value Increases

Considering only the manufacturing aspect of the industry, the gross value of production in 1928 was $233,535,326, an increase of 6.5 per cent over the figure for 1927. The gross values of the manufactured products of the industry for the last five years are as follows:

Gross Production

1924	$179,259,504
1925	193,092,937
1926	215,370,274
1927	219,329,753
1928	233,535,326

This gross value represents the sum of the values of pulp made for sale in Canada, pulp made for export and paper manufactured. It does not include pulpwood nor the pulp made in combined pulp and paper mills for their own use in making paper.

The net value of production is one of the best indications of the relative importance of a manufacturing industry. It represents the difference between the values of raw materials and finished products. In the pulp and paper industry it is obtained by subtracting from the gross value of production, as described above, the sum of the values of pulpwood and chemicals, etc., used in pulp-making and pulp, chemicals, etc., used in paper-making. The pulp made in combined pulp and paper mills for their own use in paper-making is considered as a stage of manufacture and is not included either as a product of the pulp mill or a raw material of the paper mill.

With regard to the net value of production the pulp and paper industry has headed the lists since 1920 when it replaced the sawmills. The net value of production for the last five years was as follows:

Net Production

1924	$107,025,628
1925	116,577,947
1926	130,004,809
1927	134,516,673
1928	145,070,907

If operations in the woods are taken into consideration, the total value to Canada of the industry as a whole may be considered as the sum of the values of pulpwood and pulp exported and the gross value of paper products. This removes any duplication that might arise by the inclusion of pulpwood used in Canadian pulpmills, and pulp used in Canadian paper mills, but makes no allowance for pulp that might be used in Canada for purposes other than the manufacture of paper, such as the manufacture of artificial silk, fibreware, etc. This total in 1928 amounted to $245,346,839, an increase of 6.1 per cent over 1927.

Over 100 Plants

There were 110 establishments in operation during 1928, as compared to 114 in 1927. Of these mills, 33 made pulp only, 46 were combined pulp and paper mills and 31 made paper only.

In Nova Scotia one pulpmill ceased operations. One pulpmill in New Brunswick closed down, but another started to manufacture paper as well as pulp. Two pulpmills in Quebec and one in Ontario closed down, but two Quebec pulpmills started making paper during the year. One pulpmill in British Columbia ceased operations during conversion into a combined pulp and paper mill. Two new combined pulp and paper mills came into production in Quebec during 1928 and one combined mill now manufactures paper board only. One board mill in Quebec and another in Ontario ceased operations but were replaced by two new mills. There was a net loss of nine establishments making pulp only, a gain of four combined pulp and paper mills and a gain of one mill making paper only, making a net total loss of four establishments. There is a tendency at the present time toward the building of the larger combined pulp and paper mills especially those known as "self-contained newsprint mills," and a tendency toward the merging of the various companies engaged in the industry into a comparatively small number of large groups.

Pulp Output Gains

The 79 mills manufacturing pulp produced 3,610,724 tons valued at $121,458,078, as compared to 3,278,978 tons in 1927 valued at $114,442,541, representing an increase of 10.1 per cent in quantity and 6.1 per cent in value. Of the total for 1928 the combined pulp and paper mills produced 2,631,106 tons valued at $72,385,108 for their own use in paper-making. A total of 117,874 tons, valued at $5,708,577, were made for sale in Canada and 861,744 tons, valued at $43,364,393, were made for export.

The 77 mills making paper in 1928 produced 2,849,687 tons of paper valued at $184,462,356, as compared to 2,468,691 tons in 1927 valued at $168,445,548, an increase of 15.4 per cent in quantity and 9.5 per cent in value.

Newsprint Again Dominates

Newsprint paper made up 84.7 per cent of the total reported tonnage of paper manufactured in 1928. The newsprint amounted to 2,414,393 tons valued at $144,146,632, as compared to 2,082,830 tons in 1927 valued at $132,286,729, an increase of 15.9 per cent in tonnage and 9 per cent in total value. Under the heading of newsprint in Canada are included newsprint in rolls and sheets for printing, hangings and poster paper. The reported newsprint production in the United States during the calendar year 1928 was 1.414,952 tons, but this figure does not include hangings or poster paper. When these two classes are deducted from the production in Canada during the calendar year 1928, the figure for comparison is 2,396,238 tons, showing that the Canadian production of this commodity was almost seventy per cent greater than that of the United States during 1928. This increase has continued during the current year and in the first eight months of 1929 the Canadian output of newsprint was estimated at almost double that of our nearest competitors in the world's newsprint market.

Capital Over $685,000,000

The total capital invested in the

(Continued on page 38)

Canadian Newsprint Favored in Africa

As the years go by, Canada widens the market for its newsprint output. This is evidenced by the figures on imports of newsprint into the Union of South Africa during 1928, compiled by the World's Paper Trade Review. Last year South Africa imported over 19,000 tons of newsprint, of which Canada supplied 60 per cent and Sweden 26 per cent. The importance of Canadian newsprint in that market is apparent from the following tabulation, round figures only being used:

	Tons 1928	Tons 1927
Canada ...	11,500	7,300
Sweden ...	5,000	6,200
Germany ..	1,500	1,000
Norway ...	900	3,600
Other	300	500
Total ...	19,200	18,600

Imports of kraft and other wrapping papers into South Africa in 1928 amounted to some 10,000 tons, of which 40 per cent also from Canada.

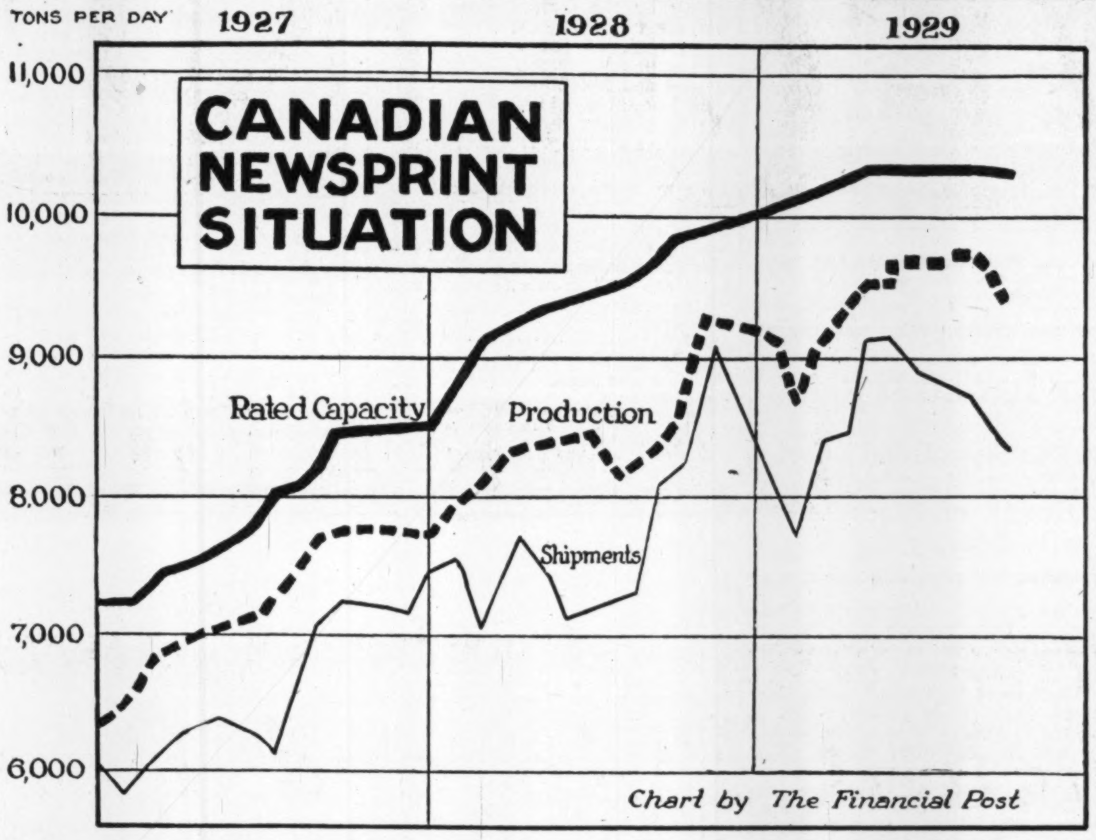


Chart by The Financial Post

Pulp and Paper Costs Lower in Dominion Due to Water Powers

Nearly One-Third of Hydraulic Turbine Installation Required to Keep Wheels Turning in Industry

MILLS SPEND OVER $11,000,000 ON POWER

Many Companies Own Water Power Sites Which Have Only Been Partially Developed — Reserves of Great Importance in Future Developments — Central Electric Stations Depend on Industry for Market

One of the major reasons for the rapid developments of the pulp and paper industry in Canada has been the abundance of cheap power, a very necessary item in respect to low cost production. At the same time the rapid growth of the hydro electric industry has been, to a large extent, dependent upon the expansion of the pulp and paper industry.

The pulp and paper industry relies almost entirely upon water power for its energy requirements, whilst over 28 per cent of the hydraulic turbine installation of Canada is required to supply the power necessary for the manufacture of pulp and paper.

Much Power Needed

When it is realized that the production of newsprint requires an installation of practically 100 horse power per ton of output per day, the necessity for abundant supplies of low priced power at once becomes apparent. In any industry the relative necessity for low cost and adequate power may be gauged by the amount required per dollar value of products and, with certain electro-chemical and electro-metallurgical processes, the requirements for the manufacture of pulp and paper rank among the highest. It is not surprising, therefore, that 90 per cent of the motive power in the industry is derived from the energy of the Dominion's abundant and advantageously located waterfalls.

The continuous operation of mills in this industry, usually 24 hours a day, lends itself to the securing of a very low unit cost of power where the power is derived from water, since the main item in this cost is the interest on the capital invested in the hydraulic development which remains constant whether the plant operates ten hours a day or twenty-four.

Hydro Power Economical

Whereas in the case of fuel power, the higher cost factors of operation of fuel are directly affected by the length of the daily period of operation. Also, mills using hydro-electric power the development of the electric steam generator has provided additional economies as any available

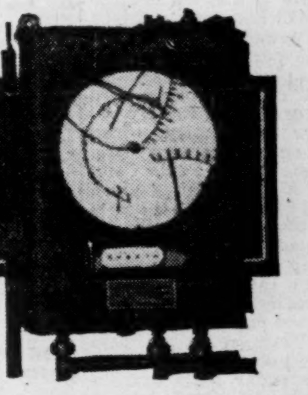
(Continued on page 38)

COMPLETE METERING EQUIPMENT

BAILEY METERS

BAILEY METER CO. LTD
980 ST. ANTOINE STREET
MONTREAL.— QUEBEC.

Meters for Steam, Water,
Air, Gas; Boiler Meters
Draft Gauges; Tachometers, etc.



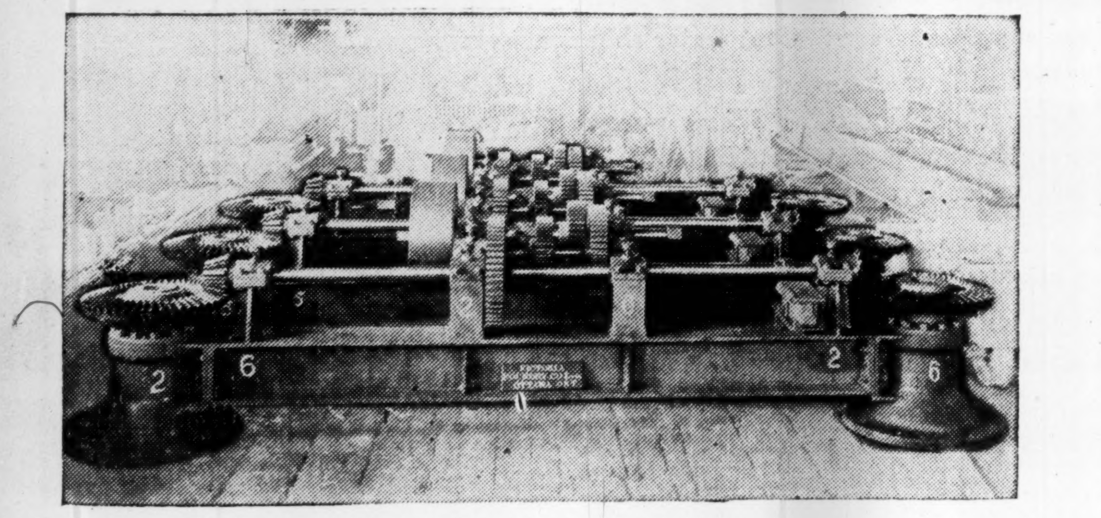
VICTORIA FOUNDRY COMPANY, Limited

General Engineers, Machine and Foundry Contractors

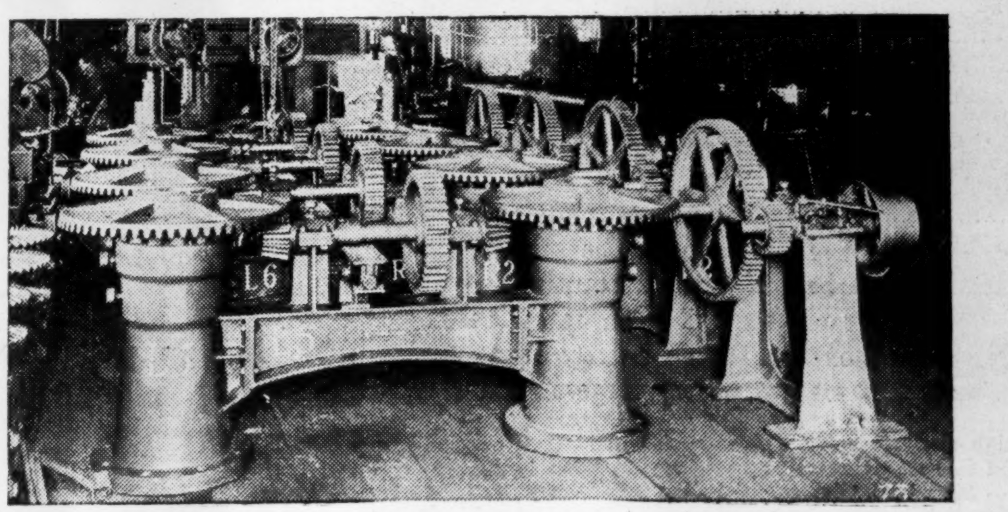
OTTAWA - - - CANADA

Equipment for Water Power Development

Stop Log Hoists
Gate Hoists
Special Valves
Log Sluice Gates
Gate Valves



Log Sluice Gate Hoists



Main Gate Hoists

Special Machinery Designed

Above illustrations show a recent installation of seven gate hoists furnished to The James MacLaren Company for their Cedar Rapids Development. We also furnished eight rack gate hoists and stop log hoists for this development

Similar Equipment Supplied by Us may be Seen at Many Developments Throughout Canada

We Only Request a Plan of the Proposed Dam

PULP AND PAPER COSTS LOWER IN DOMINION DUE TO WATER POWER

(Continued from page 37)

surplus or off-peak power may be utilized for producing steam for pulp cooking, drying, heating and similar uses.

At the end of 1928, Dominion Waterpower and Reclamation Service points out that the turbine installation supplying power to pulp and paper mills in Canada aggregated, in round figures, 1,355,000 horsepower, of which 1,071,873 horsepower was hydro-electric and the remainder direct hydro drives.

Total hydraulic installation utilized in the pulp and paper industry is, therefore, over 28 per cent of the total installation for the whole Dominion, and the power purchased amounts to nearly one-third of all the power produced for sale by central electric stations.

Steam Power Limited

The use of steam as a source of power for this industry is very limited, the total installation amounting to only 120,352 horsepower or 8.2 per cent of the total power installation, and being usually prompted by a special condition, such as operation in close connection with the manufacture of lumber when refuse from the latter can be used as fuel under the boilers.

According to the latest government survey there are in British Columbia three pulp mills and two pulp and paper mills generating their own power, while a pulp and paper mill and a paper mill purchase hydro electricity from the British Columbia Electric Railway Company. The three pulp mills are owned by the British Columbia Pulp and Paper Company and have an aggregate turbine installation of 4,290 horsepower.

The larger pulp and paper organizations, Pacific Mills Limited, and the Paul River Company, have hydraulic installations of 26,850 horsepower and 49,860 horsepower respectively.

Manitoba has one mill, a pulp and paper mill erected by the Manitoba Paper Company, and since absorbed by the Abitibi Power and Paper Company. It purchases its power from the Manitoba Power Company under a long term contract.

Have Own Power

Ontario has twelve pulp mills, 17 pulp and paper mills and 18 paper mills, with a combined installation of 238,880 horsepower; over 60 per cent of which is connected to electric generators. Twenty-eight of the mills purchase all or part of their power and have a motive installation over 185,472 horsepower driven by purchased power.

Much of the power purchased in Ontario for the operation of the mills which do not generate their own power, is procured from the Hydro-Electric Power Commission, which supplies, among others, the pulp mills of the Great Lakes Paper Company, at Fort William, the Nipigon Corporation at Nipigon and the pulp and paper mills of the Provincial Paper Mills and the Thunder Bay Paper Company at Port Arthur.

Quebec, with the largest output among the provinces, has 15 pulp mills, 23 pulp and paper mills and 15 paper mills. Thirteen of the pulp mills, 13 of the pulp and paper mills and 11 of the paper mills operate their own hydraulic developments and maintain an aggregate installation of 215,736 horsepower, of which 145,296 horsepower is directly connected to the mill machinery and 70,440 to electric generators. The mills purchasing all or part of their power, 28 in number, maintain a motor installation driven by purchased power of 566,371 horsepower.

Maritimes Develop Power

In New Brunswick there are four pulp mills and one pulp and paper mill with a second under construction. The total hydraulic turbine installation of the mills providing their own power is 13,726 horsepower, of which all but 1,900 horsepower is connected to electric generators.

Nova Scotia has seven pulp mills in operation and one pulp and paper mill under construction, all but one of the pulp mills generate their own hydro power and use it without conversion to electricity. They have an aggregate installation of 16,008 horsepower. The pulp mill purchasing power secures this supply from the Nova Scotia Power Commission, as will the Mersey Paper Company mill when completed.

The future power requirements of the pulp and paper industry should continue on the increase. At times, there may be over development of the industry when production facilities temporarily exceed the demand. Such a situation appears to have been reached in Canada at present, but there is no reason to believe that this situation will not soon adjust itself by the operation of the natural growth of demand.

PROVINCIAL DISTRIBUTION OF HYDRO POWER USED IN PULP & PAPER MILLS*

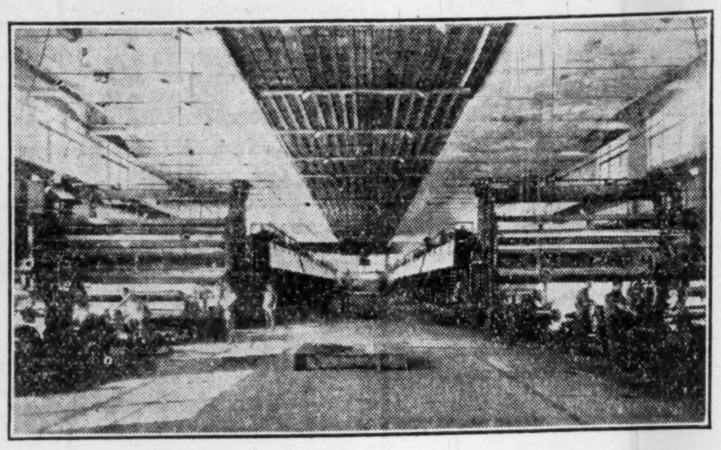
	Direct Drive H.P.	Hydro Electric Drive H.P.	Total Hydraulic Installation H.P.
British Columbia	26,155	54,845	81,000
Manitoba	......	......	......
New Brunswick	1,900	11,828	13,728
Nova Scotia	16,008	......	16,008
Ontario	93,650	145,230	238,880
Quebec	283,009	282,343	565,352
Total	420,722	494,246	914,968

* Many companies purchase power from Central Electric Stations.

QUEBEC LEADS IN AMOUNT OF ELECTRICITY USED

	Value of Power	Amount and Cost of Power Purchased			
			Kwh. 000's of		H.P.
Quebec	$7,659,244	$6,461,638	2,352,547	$1,197,606	93,219
Ontario	3,296,919	1,872,089	571,721	1,424,830	135,927
All other provinces	530,658	213,036	140,577	317,622	26,585
Total:	11,486,821	8,546,763	3,064,845	2,940,058	255,731

From Pulp to Newsprint in Two Hundred Feet



Canada now tops the world in newsprint production. Moreover, it exports eight times more than its nearest competitor. This view shows the machine room of the Gatineau mill of International Paper.

Sulphite Pulp Industry

Increased Newsprint Operations Have Good Effect on Industry—Demands of Rayon Manufacturers Cause Increased Output of Finer Grades—Situation is Healthy

Both production and markets for sulphite pulp have been more favorable of recent months. The increase in output of newsprint has necessitated greater consumption of the lower grades of sulphite; fine paper manufacturers have required more of the better grades to keep up with the demand; while the finest grades of sulphite pulp, used in the manufacture of rayon or artificial silk, have been much in demand.

Next to newsprint, the manufacture of sulphite pulp is the most important activity in the pulp and paper industry. There are only one or two companies manufacturing sulphite solely, and there are only one or two such companies in which there is an investment interest. But many of the new pulp and paper companies, such as Port Alfred, have a surplus production of sulphite which is sold on the open market.

Broadly speaking, the manufacture of sulphite in Canada may be divided into two sections: those mills which produce sulphite for further manufacture into newsprint and those mills which produce sulphite pulp to be sold to the sulphite pulp market. Practically all the newsprint companies manufacture their own sulphite, which comprises about 20 or 25 per cent of the raw material going into the manufacture of newsprint paper. On the other hand there are companies which produce sulphite to be sold on the open market.

Diversity of Interest

Unlike the newsprint companies, the sulphite companies cannot all be classed in one group. Pulp mills produce a very low grade of unbleached sulphite, which cannot be used for anything other than the manufacture of newsprint. Other companies produce a higher grade of unbleached sulphite pulp which goes into the manufacture of fine paper and still other companies produce bleached sulphite. Finally there are mills such as International Paper's Kipawa Mill, which produces only the highest grade of sulphite. The output of this mill is especially adaptable to the manufacture of artificial silk, and a large proportion of the mill's production is ultimately manufactured into rayon yarn.

The underlying conditions surrounding the whole industry appear to be sound, but while the price of and the production of sulphite pulp has increased during the past four or five years, yet there is no doubt that the mills are not yet obtaining a satisfactory profit on their output.

Export to States

Because of high tariff walls, Canadian high grade paper, which is chiefly composed of sulphite, cannot be sold in the United States. Thus Canadian sulphite mills which are near the source of their raw materials, and which can obtain cheaper power, ship their output across to the American paper mills, there to be turned into fine paper, or, in the case of the lower grades of sulphite, to be turned into newsprint.

The figures on production and exports of sulphite pulp, which are printed elsewhere in this issue, reveal that there has been a tremendous increase in the amount of unbleached sulphite paper manufactured in the Dominion over the past few years. Despite this, though, exports of unbleached sulphite have declined. The cause for the increase in production and the decrease in exports lies in the expansion of the newsprint industry. The newsprint mills have augmented their sulphite production and have used more sulphite in the production of newsprint paper.

Bleached Sulphite Needed

On the other hand, the production of bleached sulphite pulp, which is of a higher grade, has increased, and exports have increased also. The reason for this lies in the demands of the United States for high grade sulphite for further manufacture into fine paper, coupled with the fact that the Canadian domestic market for fine paper is small and cannot consume anything other than a small proportion of the total bleached sulphite pulp production.

Not so many years ago, fine papers were made almost exclusively from rags. Since then, high grade sulphite pulp has entered more and more into the manufacture of fine papers, and many thousands of tons of sulphite paper are produced yearly. Steadily increasing costs of rags on the one hand, and a continued improvement in the paper-making qualities of sulphite on the other hand, have widened the market for the product considerably.

Rayon Demands Felt

Another factor which has entered into the sulphite situation is the increasing demand for rayon silk, which is largely manufactured from Canadian sulphite pulp. Within recent months, the Canadian International Paper Company has undertaken the construction of a large addition to its Kipawa Mill, which supplies the major proportion of the world's raw material for the manufacture of rayon. Thus the markets for this grade of pulp will continue to broaden.

The increase in the demand for sulphite paper has been steady and there seems no reason to doubt that with the increasing growth of the United States, the consumption of fine papers there will be increased, with a resulting increased demand for Canadian sulphite. Further there is the growing demand from the rayon manufacturers, all of which should make for better conditions in the sulphite pulp industry.

British Northwestern

Stock in the British Northwestern Development Company, Limited, was offered to the public not long ago, but as far as can be learned, the enterprise has not made any headway. At the time of financing, it was said that the principal objects and aims of the company were for the establishment of a large pulp and paper mill, but to date nothing has been done along this line.

Nashwaak Pulp

Supplies Sulphite to Controlling Companies in States

In 1916 control of the Nashwaak Pulp and Paper Company, which operates an 85 ton daily sulphite plant near Saint John, N.B., was taken over jointly by the Oxford Paper Company and the Bryant Paper Company, both of the United States. This company controls 226,000 acres of land and 146,000 acres of government leased lands in New Brunswick, and in addition owns various other properties at Marysville and Blacksville.

There is no direct Canadian investment interest in this concern, the majority of the securities being held by the Oxford and Bryant companies. The products of this company are well-known to the United States trade.

Capitalization—	Outstanding
Preferred	$1,700,000

Of which $850,000 each is owned by the Bryant Paper Co. and Oxford Paper Co. of the United States.

Funded Debt—
6% first mortgage bonds, outstanding $410,800; due $75,000 annually to 1936.

Production—
90 tons of sulphite pulp daily.

PULP AND PAPER INDUSTRY LEADS IN NET VALUE

(Continued from page 37)

manufacturing part of the industry in 1928 was $685,687,459 as compared to $579,853,552 for 1927, an increase of 18.3 per cent. Only capital invested in mills operating in 1928 is included in this total.

The total number of employees on salaries and wages in pulp and paper mills in 1928 was 33,614 and the total payroll was $47,322,648 as compared to 32,876 employees in 1927 with salaries and wages amounting to $45,674,293.

Use More Pulpwood

The apparent total production of pulpwood in 1928 was 6,323,610 cords valued at $74,818,467 as compared to 5,929,456 cords in 1927 valued at $70,284,895. Of the total production in 1928 about 75.8 per cent or 4,791,344 cords valued at $59,548,807 were manufactured into pulp in Canadian pulpmills, while the remaining 24.2 per cent or 1,532,266 cords valued at $15,269,660 were exported to the United States. These figures show a decrease from 26 per cent in 1927 to 24.2 per cent in 1928 in the proportion of pulpwood exported, and the actual quantity of pulpwood exported unmanufactured also shows a decrease. The quantity of pulpwood used in Canadian mills has increased by 9.2 per cent during this period. There are no importations of pulpwood into Canada.

Material Expenses Heavy

The total value of all materials going into the manufacture of pulp in 1928 was $69,422,248 and the total value of all pulp produced, including that made in combined pulp and paper mills for their own use was $121,458,078.

The total value of all materials used in the manufacture of paper in 1928 including pulp made in combined establishments for their own use was $91,451,653; the total value of paper and miscellaneous pulp products manufactured was $184,462,356.

The exports of wood pulp from Canada during the calendar year 1928 amounted to 17,276,019 cwt. valued at $45,614,823 as compared to 17,583,085 cwt. in 1927 valued at $46,996,041. During the same calendar year the imports of wood pulp were 448,472 cwt. valued at $1,107,801.

Export Values Higher

The exports of paper and paper goods during the calendar year 1928 were valued at $147,156,792 as compared to $129,637,687 in 1927. These exports were made up chiefly of newsprint paper of which 44,131,754 cwt. valued at $141,103,527 were exported chiefly to the United States. Canada's exports of newsprint are now second only to her exports of wheat and are greater than the newsprint exports of the rest of the world. The 1928 exports represent an increase in quantity and in total value over the 37,637,308 cwt. valued at $123,222,094, which were exported in 1927. During 1928 the total value of paper and paper goods imported was $13,260,288, an increase over the imports for 1927.

The gross contribution toward a favorable trade balance resulting from the activities of the pulp and paper industry as a whole in 1928 amounted to approximately $193,673,186 being made up of the value of pulpwood exported amounting to $15,269,660, the difference between the value of pulp exported and pulp imported amounting to $133,896,504. The total for 1927 was $179,459,362.

Summary of Results

Reviewing the industry as a whole it is seen that exportation of unmanufactured pulpwood is decreasing in quantity and relative importance while the further manufacture of this raw material into pulp in Canadian mills is increasing at a rapid rate.

Pulp manufacture is increasing in quantity and value, the largest increase taking place in pulp made in combined mills for their own use in paper-making. Pulp made for sale in Canada also increased while there was a decided decrease in the manufacture of pulp for exportation without further manufacture in Canada.

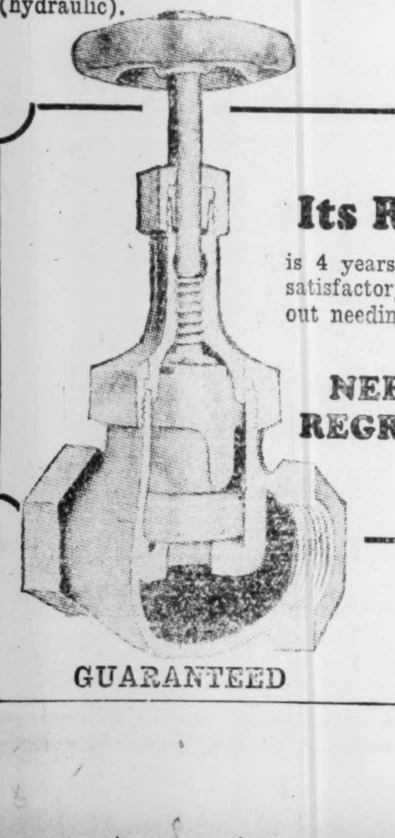
Advertising Plans Regulate Paper Needs

The dependency of Canadian newsprint mills upon the volume of advertising carried in American newspapers is common knowledge. Accordingly any change in conditions in the United States, which would affect the volume of newspaper advertising, is of interest to newsprint operators in this country. The manner in which some of the large American advertisers are using the newspapers, is well illustrated by the plans of the American Tobacco Company for advertising one of its well-known brands of cigarettes in 1929. On this brand alone the company is spending $12,300,000 divided as follows:

Daily newspapers	$6,500,000
Magazines	1,200,000
Bill boards	3,000,000
Store helps	1,000,000
Radio	600,000

Performance 100%

A high pressure valve which the engineering world is acclaiming after severest test with oil — 3000 pounds to the square inch (hydraulic).



Its Record

is 4 years' constant and satisfactory service without needing attention.

NEEDS NO REGRINDING!

LONG SERVICE SAVES A LOT

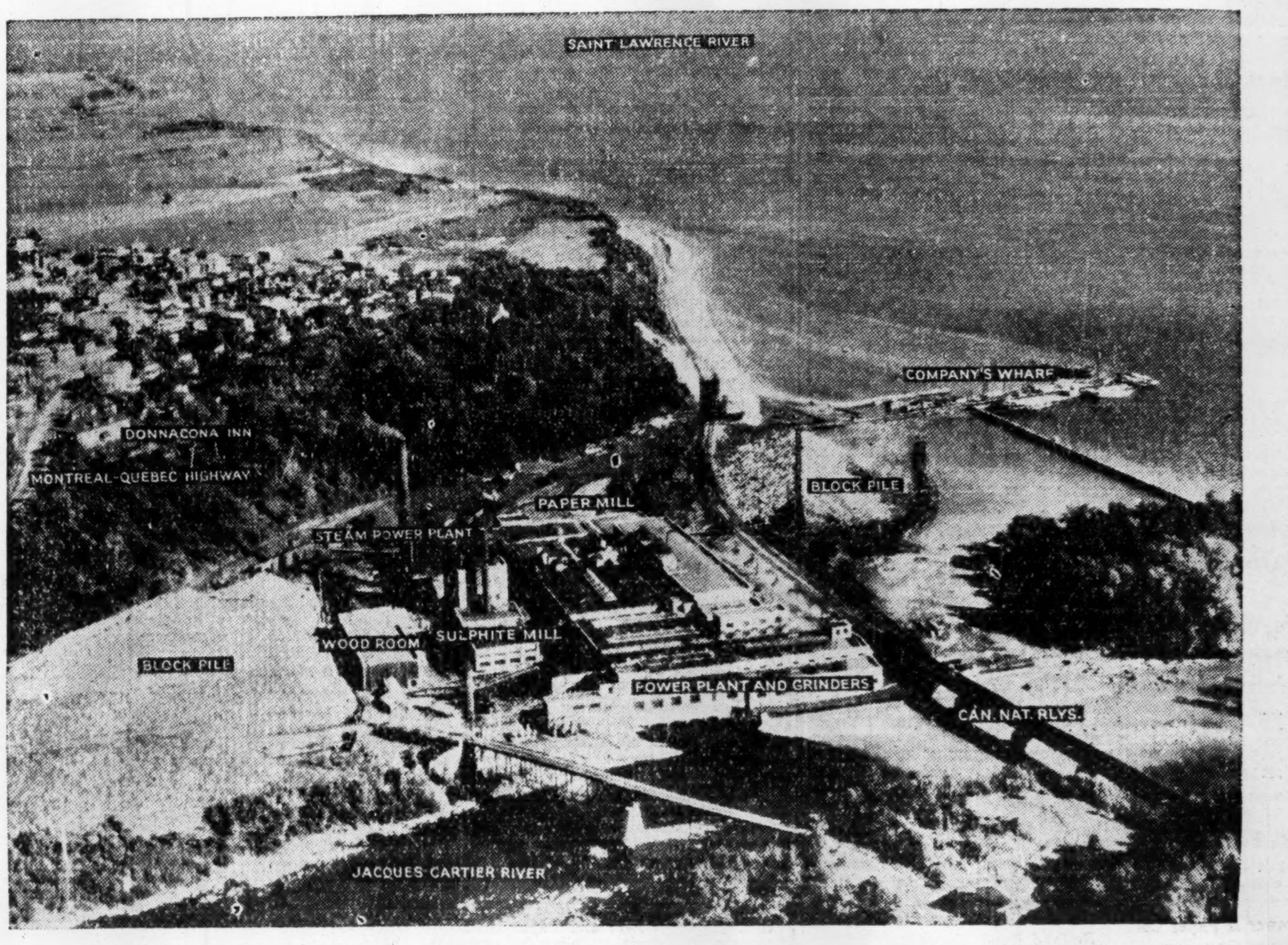
THIS VALVE is the life product of an Engineering Genius who has spent years in testing it under every conceivable condition. It is only now going on the market, guaranteed.

Already it has leaked out that we have something sensational. The valve itself is so constructed that it CAN'T leak. Let us send you a sheaf of expert testimony. TEST IT YOURSELF.

ORDER NOW
For October Delivery

Bowler Valve
LIMITED
VANCOUVER, B. C.

IT'S A BOWLER



Aerial view of the plant of the Donnacona Paper Company (Insulating Board Mill now under construction not shown).

DONNACONA PAPER COMPANY LIMITED

Situated at the junction of the Jacques Cartier and St. Lawrence Rivers, and controlling most of the timber on the watershed of the former, as well as that on the Rivers Sault au Mouton and de Gouffre, The Donnacona Paper Company is strategically located for economical wood supply and convenient water shipments via the St. Lawrence route.

The Donnacona Paper Company owns water powers on the Jacques Cartier River having a present development of 7,600 H.P. and an ultimate capacity of 46,000 H.P.

Early in January, 1930, the Donnacona Insulating Board Mill will come into operation with a daily capacity of 55 tons or 150,000 square feet.

The plant of the Company has been maintained in the highest efficiency.

The Donnacona Paper Company Limited
DONNACONA
News Print
Donnacona, Quebec

This Trade Mark on a roll of newsprint is a guarantee of high quality, correct weight, fine finish and all around excellence.

Manufacturers of
Newsprint Paper
Mechanical Pulp
Sulphite Pulp

DONNACONA, QUEBEC

James MacLaren Company

Now Undertaking Important Power and Pulp and Paper Development at Buckingham—Public Financing Will be Carried Out in Near Future

One of the largest pulp and paper and power schemes in Eastern Canada, is now being undertaken by the James MacLaren Company, of Buckingham, P.Q. To date, investment interest in this company is more or less private but it is expected that public financing will be carried out before many months have passed. It is estimated that nearly $12,500,000 will be involved in the whole undertaking.

At present the MacLaren Company has underway work on both a power scheme and the expansion of its pulp and paper plant. Plans call for power development at High Falls, 22 miles north of Buckingham, where 120,000 h.p. will be developed; a 25,000,000,000 cu. ft. storage reservoir at Cedar Rapids, 20 miles north of High Falls and a pulp and paper plant at Masson with a capacity of 250 tons daily. In addition, the company intends to utilize its power resources on the Lievre River, between its lumber mills at Buckingham and Masson, aggregating 150,000 h.p.

Initial Installation Large

The power house will be equipped with an initial installation of three 30,000 h.p. units, and a fourth will be put in at a later date. The water in the Lievre River will be backed up for a distance of 20 miles, but will not affect the surrounding country to any great extent. As for most of the distance, the river runs through high banks and the lower land is swampland, which will be transformed into small lakes.

As soon as the High Fall power development is properly underway, the company will commence upon the construction of a dam on the Lievre at Cedar Rapids for a storage reservoir, which will regulate the river and provide a water storage of 25,000,000,000 cubic feet for the power plant.

Construction of the power house will cost approximately $5,000,000; the storage dam at Cedar Rapids, $1,500,000, and the two developments are expected to be completed in the spring of 1930.

Build Paper Mill

The paper mill, when completed, will be equipped with two 234-inch machines with a capacity each of 125 tons of newsprint daily; will be equipped with a pulpmill; and its construction will cost in the neighborhood of $6,000,000.

The paper mill is expected to be ready for operation late in 1930.

The MacLaren Company also intends later on to utilize its power potentialities on the Lievre River between Buckingham and Masson. At a site, adjacent to the lumber mills, the company has developed 15,000 h.p., with which the mills are operated. This will be increased to 25,000, and below the falls extending to Masson there can be developed a further 125,000 h.p.

Quebec Co-operating

The storage dam at Cedar Rapids is being constructed under the direct supervision of the Quebec Streams Commission. It is expected that within a few years from now the MacLaren Company, which has been one of the foremost industries in the district, will have a hydro power development aggregating 270,000 h.p. in all.

At present operations of the MacLaren Company are devoted to lumbering and the production of groundwood pulp. The company's groundwood pulp mill at Buckingham, has a capacity of 25,000 tons per annum. This mill is being enlarged to supply the groundwood requirements of the newsprint mill.

As for its timber supply, the company has a licensed area of 2,800 square miles, from which pulpwood can be secured at a very low cost.

The Measure of Dependabitity that is Embodied in

ROSS SYSTEMS
HEATING—VENTILATING—DRYING

is clearly reflected in the list of prominent Canadian companies that have installed them in their various mills:

- Abitibi Power & Paper Company
- Anglo-Canadian Power & Paper Company
- Backus Brooks Company
- Bathurst Co., Limited
- Beaverwood Fibre Co.
- Boxer, Reg. N.
- Brompton Power & Paper Co., Ltd.
- Canada Power & Paper Co.
- Canada Paper Company
- Canadian International Paper Co.
- Donnacona Paper Company
- Eddy Company, E. B.
- Fort Frances Power & Paper Co., Ltd.
- Fraser Companies, Ltd.
- International Fibreboard Co.
- International Power & Paper Co. of Newfoundland
- Manitoba Paper Co.
- Mattagami Power & Paper Co.
- Mersey Paper Co. Ltd.
- Murray Bay Paper Co.
- Port Alfred Power & Paper Corp.
- Powell River Company
- Price Bros. & Co., Ltd.
- Provincial Paper Mills
- Riordan Pulp Corp. (Canadian International)
- Rolland Paper Company
- Howard Smith Paper Company
- Spruce Falls Power & Paper Co.
- Stauntons Limited
- St. Anne Paper Company (Abitibi Power & Paper Co.)
- St. Lawrence Paper Company
- Thunder Bay Paper Co. (Abitibi Power & Paper Co.)
- Wayagamack Power & Paper Co. Ltd.

The Ross Engineering Department is the logical source for dependable advice concerning your heating, ventilating and drying problems.

ROSS ENGINEERING OF CANADA, LTD.
NEW BIRKS BUILDING — MONTREAL

Mason Regulators

Pressure control with low upkeep and low initial costs

are giving reliable service in the following Mills:—

- Spanish River Pulp & Paper Co.
- Lake St. John Power & Paper Co.
- Anglo-Canadian Pulp & Paper Mills
- Price Bros. & Co. Ltd.
- Howard Smith Paper Mills
- Donnacona Paper Co.
- Laurentide Co.
- St. Maurice Valley Corporation
- Canadian International Paper Co.
- Brompton Pulp & Paper Company
- Spruce Falls Power & Paper Co.
- Provincial Paper Limited.
- Thunder Bay Paper Co.
- Canadian Paperboard Co.
- E. B. Eddy Co.
- Abitibi Power & Paper Co.
- Wayagamack Pulp & Paper Co. Ltd.

and many others.

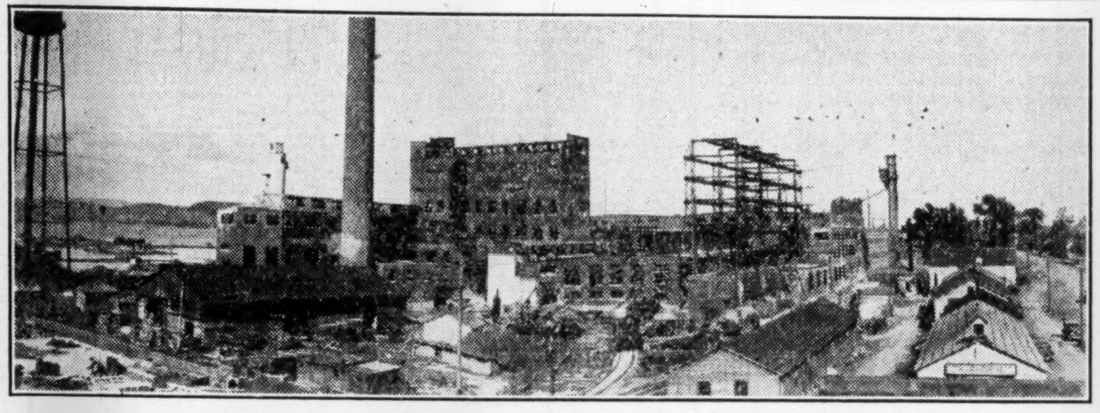
Just because pressure regulation is essential to the operation of your plant there is no reason why you should tolerate high upkeep costs on the regulating equipment. A fair example of upkeep costs on Mason equipment is that of a plant where it amounted to only 12½ cents per annum on every 100 dollars of equipment cost. Moreover, 23 regulating valves were rendered unnecessary because of Mason ability to handle the job with less equipment.

Mason Regulator Co. of Canada
Limited

686 Notre Dame St. W.
MONTREAL

18 Toronto St.
TORONTO

Big New Brunswick Mill Nears Completion



Above shows the plant of New Brunswick International Paper Company at Dalhousie, N.B., which will be brought into operation shortly. This mill has a capacity of 450 tons daily and is the first step in a big programme of development which International plans carrying out in that area. Power for the operation of the plant is received from Grand Falls development, carried out by the Saint John River Power Company.

Canada Power & Paper

Liquid Position of Company is Outstanding Feature—Widening of Activities to Make for Greater Stability of Earnings Expected Before Long

The liquid position of Canada Power and Paper at present is probably stronger than any other company in the newsprint field. On this account the activities of the company are the centre of much interest in view of possible consolidation or mergers which might take place in the industry over the next twelve months.

In the event of a consolidation, Canada Power and Paper would be in an exceptionally strong position to carry out such a deal as it has sufficient reserves to swing the deal without the necessity of going to the public for additional capital.

It will be recalled that last year Canada Power and Paper Company sold its Laurentide Power holdings to Shawinigan Falls, in return for which it received in cash $10,800,000 and 72,000 shares of no par value common stock of the Shawinigan Company. Since that time a stock bonus was paid by Shawinigan while, it is understood, Canada Power and Paper has since increased its holdings in this stock to 100,000 shares.

Show "Paper" Profit

As this stock was purchased in the neighborhood of 80 to 85, the market value of this holding has increased since by some 20 per cent. This stock, together with the Laurentide purchase money, gives Canada Power and Paper a net working capital of over $20,000,000. This large fund, therefore places the company in an excellent position to meet any changes in the newsprint industry and also to take advantage of any new development which might strengthen its position.

The income statement of Canada Power and Paper for last year does not give a true picture of the company's earning power, as the returns reflected the Laurentide Power-Shawinigan deal. Revenue from newsprint activities, however, were undoubtedly less than in the previous year.

With a view to making the company's income less dependent upon its newsprint revenue, it is believed that Canada Power and Paper is interested in acquiring other interests which will give it stability of earnings.

May Widen Activities

To this end it is said that Canada Power and Paper is actively interested in acquiring control of Wayagamack Pulp and Paper. The latter concern is one of the largest kraft producers in the Dominion, and in addition, has a substantial output of newsprint. Over the past few years, it was recorded a steady increase in earnings. Acquisition of this organization would tend to round out Canada Power and Paper's activities and give it that degree of earning stability which it now lacks.

Canada Power and Paper is both an operating and holding company with a total daily rated capacity at its mills of 1,300 tons of newsprint.

It owns practically all the common shares of Laurentide Company, Belgo Canadian Paper Company, the St. Maurice Valley Corporation, a one-third interest in the Anticosti Corporation and a half interest in the Thunder Bay Paper Company. The Belgo Canadian Paper and St. Maurice Valley Corporation have bonds and preferred stock outstanding, which rank prior to Canada Power and Paper securities.

As the Laurentide Company has no bonds and its entire capitalization consists of common stock, Canada Power and Paper owns this property outright through the ownership of virtually all the common shares of the company.

Assets Consist of Stocks

The fixed assets of Canada Power and Paper consist of its stock holdings in Laurentide and the common shares of the St. Maurice Valley Corporation. This last subsidiary, in turn owns the common shares of the Belgo Canadian Company and one-third of the common shares of the Anticosti Corporation. The outstanding bonds and preferred shares of St. Maurice, and Belgo, amount in round figures to $37,000,000.

With its strong cash position, it is possible that Canada Power and Paper may retire some of the underlying bonds or preferred stock issues of its subsidiary companies. On the other hand, it is not likely that this action will be taken, as the cash can be put to greater use elsewhere.

Canada Power and Paper has no bonds outstanding other than those of its subsidiaries. It has debentures, though, which rank after the underlying securities of the constituent companies.

Properties Centralized

The subsidiaries of Canada Power and Paper are reviewed individually in this issue as, with the exception of Laurentide, there is a large investment interest in each company. The location of the subsidary companies has permitted many savings in operating costs to be effected. All three newsprint plants are located on the St. Maurice River.

The plant at Three Rivers is situated also on the St. Lawrence, where it is in a position to utilize most economically the wood resources of the corporationu located elsewhere than on the St. Maurice River.

Properties controlled by the corporation include four important newsprint paper and pulp mills having a combined capacity of more than 1,300 tons of paper products a day, or an annual capacity of roughly 400,000 tons of newsprint.

Plenty of Pulpwood

The corportion also controls, through subsidiary companies, pulpwood areas estimated to contain more than 37,000,000 cords of pulpwood, sufficient for a practically perpetual supply of pulpwood at full rated capacity of the mills. Adequate hydro electric and hydraulic power is assured through long term and favorable contracts with Shawinigan Water and Power Company. In addition, through St. Maurice Valley Corporation, Canada Power and Paper Corporation controls more than one-third of the capital stock of the Anticosti Corporation, which owns outright the Island of Anticosti, having an estimated pulpwood content of 15,000,000 cords.

Current Operations Good

Current operations of Canada Power and Paper's plant are representative of the industry as a whole. Plant operations this year have been averaging round 85 per cent of capacity. If the present rate of growth of demand by United States publishers continues, it is likely that by this time next year the plants of Canada Power and Paper Corporation will be operting at a ratio near or above 90 per cent of capacity.

Investment interest in Canada Power and Paper Corporation common stock centres around three factors, namely, improvement in the newsprint situation, the importance of the company's Shawinigan stock holdings, and the exceptionally strong cash position of the company. As previously pointed out, in the event of further consolidations or mergers taking place in the pulp and paper industry, Canada Power and Paper will undoubtedly be to the fore in any such negotiations, owing to its ability to swing a deal of major proportions without going to the public for addition funds.

Capitalization—	Authorized	Issued
Common (n.p.v.)	750,000 shs.	688,000 shs.

The stock was issued as follows: 228,000 shares in exchange for shares of Laurentide Co., on a share for share basis; 400,000 for shares of St. Maurice Valley Corp. on basis of 2½ shares for each share held. Shareholders of Laurentide Co. were also given $100 principal amount of 5½ per cent debentures, in addition to one common share, for each common share exchanged.

Funded Debt—
5½ per cent collateral trust sinking fund debentures due 1958, issued and outstanding (Laurentide series), $28,800,000.

Officers and Directors—
Officers—Sir Herbert S. Holt, chairman, Montreal; G. Chahoon, Jr., pres., Grand 'Mére, Que.; Geo. M. McKee, vice-pres. and man. dir.; G. Wilfred Hodgson, sec.-treas., Montreal; J. W. Hodgson, R. W. Louthood, J. E. Ward, asst. sec.-treasurers.
Directors—Sir Herbert S. Holt, G. Chahoon, Jr., G. M. McKee, G. H. Montgomery, A. Cross, J. W. McConnell, Edwin Hanson, Montreal; C. B. McNaught, W. E. Wilder, J. H. Gundy, Toronto; F. A. Sabbaton, Grand'Mére, Que.; C. Howard Smith.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
Year Ended December 31

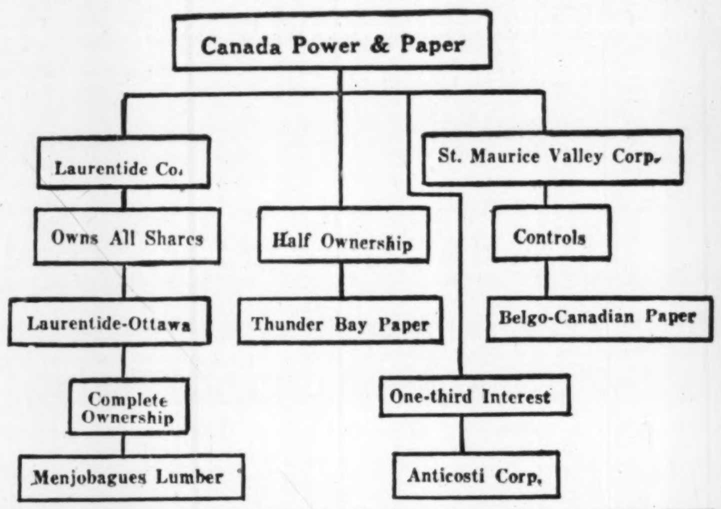
	1928
Net earnings from operations	$4,839,871
Income from investments	536,714
Total net income	5,376,585
Less bond and debenture interest:	
Belgo-Can. Paper Co.	546,120
St. Maurice Valley Corp.	682,968
Can. Power & Paper	1,584,000
	2,563,497
Less: Deprec. and deplet. res.	1,332,405
Preferred dividends:	
St. Maurice Corp.	700,000
Belgo-Can. Paper Co.	350,000
Common dividends:	
Belgo-Can. Paper Co.	444
Surplus (subject to income tax)	180,648
Div. Record and Earn. per share—	
*Preferred, earned	$8.20
Paid	7.00
‡Common, earned	0.26
None paid.	

* Preferred shares of subsidiary companies constituting a prior charge on the net profits of the company made up as follows: St. Maurice Valley Corporation 7 per cent cumulative preferred, $5,800,000 of $100 par value and $4,200,000 of $5 par value; Belgo-Canadian Paper Co., 7 per cent cumulative preferred, $5,000,000 of $100 par value.

‡ Common shares of Canada Power & Paper Corporation, 688,000 shares issued (including reserve for balance of exchange of St. Maurice Valley Corporation and Laurentide Co., Ltd., common shares).

Price Range of Stock—

	High	Low
1928	55	27
1929 (to Sept. 12)	39½	26



St. Maurice Valley

Company Benefits from Larger Demands for Newsprint

From the investors' point of view, the St. Maurice Valley Corporation occupies much the same position of that of the Belgo Canadian Company, in that controlling interest lies with Canada Power and Paper Corporation, whilst securities outstanding in the hands of the public are virtually confined to the bonds and preference stock issues.

St. Maurice is both a holding and operating company. It owns a newsprint mill near Cap-de-Madeleine, P.Q., and owns all the common shares of the Belgo Canadian Paper Company. The Belgo mill is leased to St. Maurice Valley for an annual amount sufficient to meet Belgo's fixed charges and also Belgo preferred dividend requirements.

Shares in Anticosti

In addition the St. Maurice Valley has a one-third interest in the Anticosti Corporation, which owns extensive timber limits on Anticosti Island. Because of the separate investment interest in Anticosti Corporation that company is reviewed separately in this issue.

With Building Products Limited, St. Maurice Valley formed Forest Products Limited. It is controlled by the two parent companies and provides a market for some of the pulp production of the St. Maurice Valley Corporation.

Up to this year St. Maurice Valley Corporation owned all the common stock of the Canada Paper Company. This organization was sold out to Howard Smith Paper Mills Limited, on the basis of one share of common stock of Canada Paper Company for one share of common stock of Howard Smith Paper Company. In all 20,000 shares were involved in the deal.

Controls Big Output

The company's owned and controlled property may be summarized as follows:

The Three Rivers Plant, formerly the St. Maurice Paper Company comprising a four machine newsprint mill with a daily capacity of 265 tons and a 65 ton sulphate pulp production; Belgo Canadian paper plant at Shawinigan Falls with eight machines producing 600 tons daily and timber limits either owned or controlled have thereon some 21,500,000 cords of pulpwood.

Investment interest in the St. Maurice Valley Corporation is centred on the preferred stock and bond issues. These obviously rank as a preferred charge against the earnings of its Three Rivers' mill and rank after the bonds and the preferred shares of the Belgo Company. In addition the St. Maurice Valley Corporation guarantees to buy sufficient wood from the Anticosti Corporation to meet the fixed charges and dividend requirements on that company's stock.

St. Maurice Valley Corporation operates under strong management, and even though now in a period of small earnings, St. Maurice should continue to earn and pay preferred dividend requirements.

Shares Have Priority

In any attempt to assess the merits of the shares, however, it is necessary to take into consideration not only the financial strength of the corporation but of the general newsprint situation, which naturally has a bearing marketwise. St. Maurice preferred shares, though, rank senior to the debentures of Canada Power and Paper.

Since 1927 the earnings statement of St. Maurice Valley Corporation has been consolidated with that of Canada Power and Paper Corporation. The report of the latter organization for 1928 shows that the bond interest and preferred stock dividend requirements of St. Maurice Valley Corporation were amply earned.

The outlook marketwise for the preferred shares of the St. Maurice Valley Corporation appears to be identical with the outlook for the industry as a whole. The safety of the preferred dividends seems to be assured. Moreover, the increased financial strength of Canada Power and Paper Company, due to the sale of the Laurentide Power Company to Shawinigan, obviously has a bearing on the financial strength of the subsidiary organization.

Capitalization—	Authorized	Issued
Common (n.p.v.)	500,000 shs.	160,000 shs.
Pref. 7% cum.	$10,000,000	
($100 par)		$5,800,000
($5 par)		4,200,000

Over 99% of the common stock is owned by the Canada Power & Paper Corp. The common shares were exchanged on the basis of 2½ shares of Canada Power & Paper for each share held.

Funded Debt—
6% first mortgage and collateral trust sinking fund bonds, series "A" due 1945; outstanding $9,362,230. 5½% first mortgage and collateral trust sinking fund bonds, series "B," due 1957; outstanding $2,000,000.

Dividends—
Preferred—7% per annum, payable quarterly, Jan., Apr., July and Oct. 1. Initial dividend paid Jan. 1, 1926.
Common—None paid.

OFFICERS AND DIRECTORS
Officers—G. M. McKee, pres.; A. Cross, vice-president; G. W. Hodgson, sec.-treas.; J. W. Hodgson, R. W. Louthood and J. E. Ward, asst. sec.-treas
Directors—Geo. Chahoon, Jr., A. Cross, G. M. McKee, G. R. Montgomery and F. A. Sabatton.

Production—
Daily production: 85 tons.

Market Record—

	1929* H	1929* L	1928 H	1928 L	1927 H	1927 L
Preferred	99	93	105½	91	105¾	94½

*To Sept. 12.

Laurentide Co.

Capitalization—	Authorized	Outstanding
Common ($100 par)	$35,000,000	$28,800,000

Over 99% of stock owned by Canada Power & Paper Co. In Jan. 1928, acquired by Canada Power & Paper Corp., shareholders receiving one new 5½% debenture and one new common share for each share held.

Dividend Record—
Common—Old stock: initial dividend of 1½% paid Oct. 1911: 8% per annum, 1912-1917; 10%, 1918; 12%, 1919 and until stock changed in 1920; 1½% paid quarterly on new stock thereafter. Bonus of 3% paid Jan., 1919.

Officers—Geo. Chahoon, Jr., pres.; F. A. Sabatton, vice-pres.; G. W. Hodgson, sec.-treas.; J. W. Hodgson, R. W. Louthood and J. E. Ward, asst. sec.-treasurers, Grand'Mére, P.Q.; G. A. McAtee, Geo. H. Montgomery, KC., A. Cross, all of Montreal.

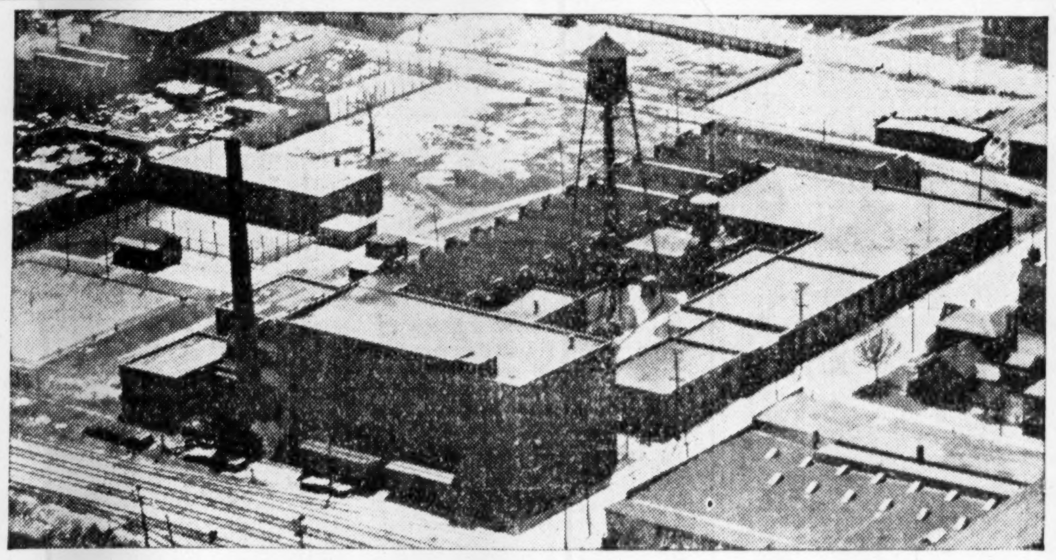
Production—
Daily production, 375 tons groundwood, 150 tons sulphite, 50 tons pulpwood, and 389 tons newsprint.

Superior Paper

No new developments have taken place in connection with the Superior Paper Mills of Merritton, Ontario, which was closed down in July, 1928, and went into liquidation.

The company was organized in 1926 to manufacture tissues, twistings, wrapping and similar specialties not made elsewhere in Eastern Canada and at the time of its organization, it was believed that the company had a good chance of success. The capacity of the plant is 3,000 tons annually.

There has been talk of converting the plant over to the manufacture of roofing paper and similar products, but so far no definite steps have been taken to bring the company back into the operating list.



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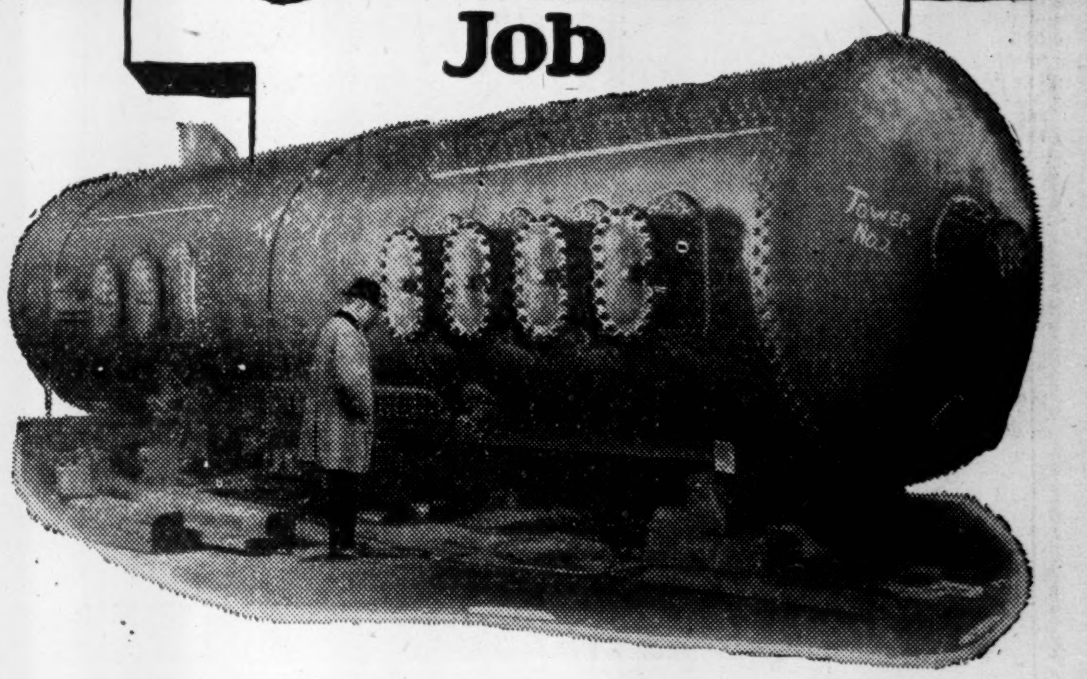


PICTURED above is one of four bubble towers built for Imperial Oil Limited, Sarnia, Ontario, for use in their refineries.

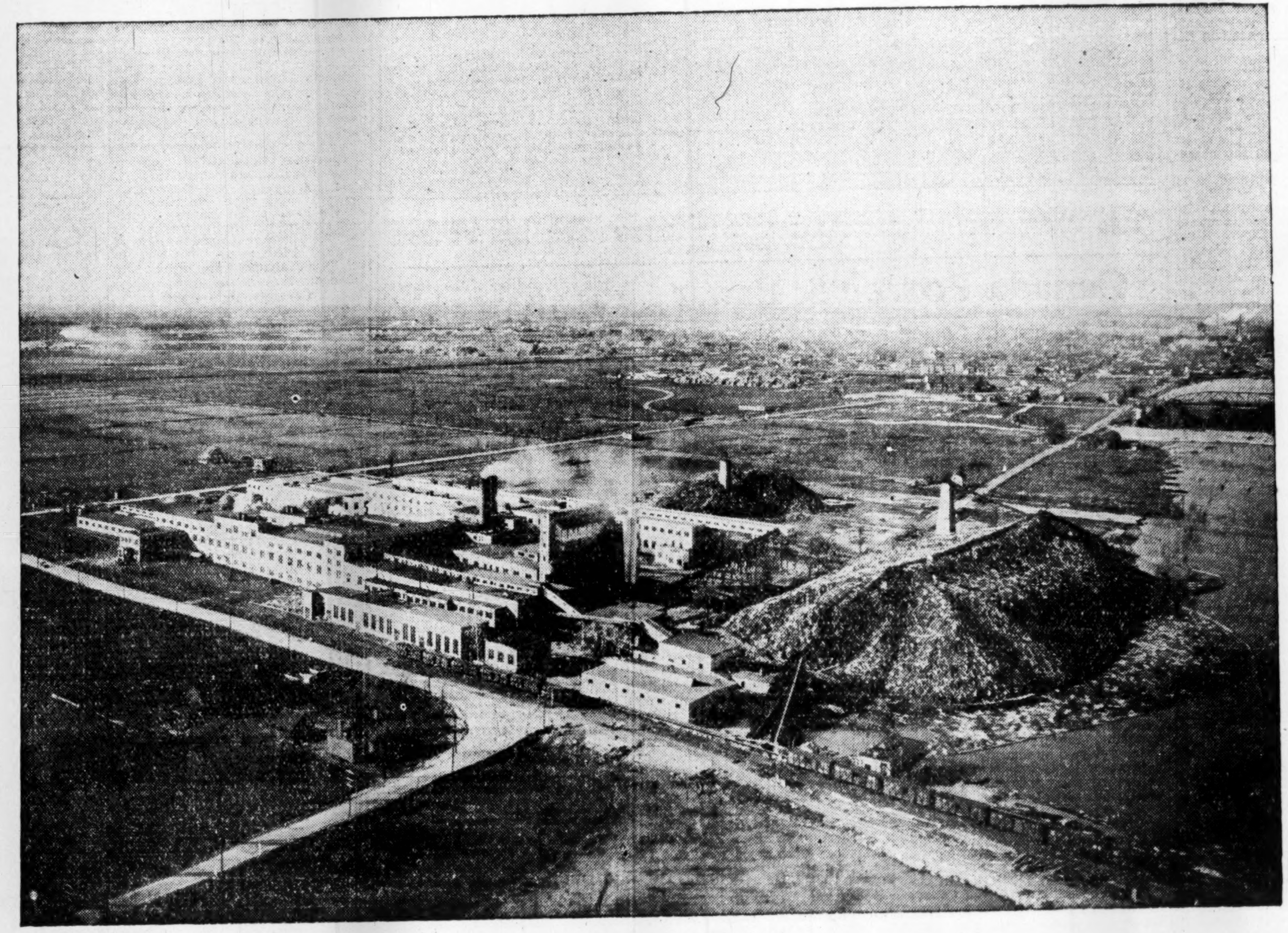
Each of these towers is thirty-four feet, six inches in height and seven feet, seven inches in diameter, and weighs sixty thousand pounds.

The shell is of seven-eighth inch steel with one and one-quarter inch steel heads.

The entire job was engineered and built in our own shops at 14 Strachan Avenue, Toronto.

Our consulting bureau is at your disposal to give advice on your Engineering and Boiler problems no matter how difficult they may be, and you are under absolutely no obligation.

The John Inglis Company Limited
14 Strachan Avenue - Toronto
618 Castle Building - Montreal



One Complete Unit

Officers and Directors

N. A. TIMMINS,
Chairman of the Board

ERNEST ROSSITER, *President*

DIRECTORS:
A. K. CAMERON
W. M. CHADBOURNE
H. C. FLOOD
SIR CHAS. B. GORDON
F. E. MEREDITH, K. C.
CLIFTON M. MILLER
COL. HERBERT MOLSON
J. I. RANKIN
GORDON W. SCOTT
E. R. WOOD

THE ST. LAWRENCE PAPER MILLS COMPANY brings to the manufacture of newsprint paper the advantages and economies of a self-contained manufacturing unit — including all the ground wood and sulphite pulp requirements of the mill — together in a carefully co-ordinated modern plant of outstanding efficiency.

The location of the mills is an advantageous factor. Situated at Three Rivers and directly on the St. Lawrence River, there is the benefit both of easy access to wood supply and of economical water shipment.

The mill has a capacity of 500 tons of newsprint daily, and is an important factor in Canada's pulp and paper industry.

The company enjoys a management — both administrative and technical — of demonstrated stability and capability.

St. Lawrence Paper Mills
Company Limited

Sales Subsidiary
St. Lawrence Sales Co. Limited
Montreal, Three Rivers, New York

Head Office
Canada Cement Building
Montreal

Abitibi Power and Paper

Operations on More Satisfactory Basis This Year Than in 1928—Spending Money on Keeping Properties Up to Date—More Stock Outstanding

Abitibi Power and Paper Company is the bell-wether of the pulp and paper industry. Controlling over 25 per cent of the entire capacity of the Canadian newsprint mills, and having the largest timber holdings of any company in the country, operations of this organization are looked upon as being indicative of the general trend in the industry. If there are any new developments, Abitibi figures prominently. Correspondingly, if there are any setbacks, the effects are apparent in Abitibi's operations.

At this time when there are many rumors of mergers and consolidations, Abitibi is a company most frequently mentioned. Its activities extend from Quebec to Manitoba and when the sale of any of the small independent producers is mentioned, Abitibi's name is linked up with the deal.

It is possible that before long Abitibi will decentralize its operations. As a result of recent acquisitions, Abitibi owns and operates nine plants spread over an area from Murray Bay on the St. Lawrence River, to Lake Winnipeg, Manitoba. Most of these plants are independent units, in that logging operations, shipping, etc., cannot be carried out on a centralized basis. It remains to be seen what action will be taken by the management of Abitibi.

More Active Operations

Meantime, operations of the company are on a better basis this year than was the case in 1928. During the past year the company was obligated to operate its mills at a much lower rate than it was capable. In the last few months, however, operations have been kept up and it is considered that the company will operate at about 80 per cent of its installed capacity for the full year. In that event, the earning power of the company should be well maintained, despite the reduction of about $5 a ton in the price of newsprint.

Last year the company earned a net applicable to the preferred and common dividends of $2,846,041. The preferred dividend payments during the year amounted to $1,529,325. Due to the increase in the company's capitalization this year, the preferred dividend requirements for 1929 will amount to over $2,000,000. It is doubtful if the company will be able to report as much on its common stock as last year, when $1.33 was earned.

Operate Ten Plants

As at present constituted, Abitibi Power and Paper Company consists of nine newsprint mills and one sulphite mill, comprising seven distinct units engaged in the manufacture of newsprint and associated products. These include the properties formerly operated under the following companies: Abitibi Power and Paper; Spanish River Pulp and Paper Mills; Fort William Power Company; Manitoba Paper Company; Ste. Anne Paper Company; Murray Bay Paper Company; and Thunder Bay Paper Company. The latter organization was acquired jointly by Abitibi Power and Paper and Canada Power and Paper, through the purchase of its entire common stock in December last.

In the matter of timber resources, Abitibi stands head and shoulders above the other companies operating in Canada. Through the acquisition of the companies mentioned above, the company has total pulpwood reserves in excess of 50,000,000 cords.

Large Power Resources

Abitibi has large power resources. From an investment angle it is fortunate that the major portion of its developed power is located in areas where there is no industrial demand for power. Hence, in its Abitibi plant, the company uses large blocks of power to generate steam. Of course, if Abitibi had a suitable industrial market for this power, it could be sold, but the economic losses are not as great as might be imagined for the coal costs at Iroquois Falls, where the original Abitibi plant is located, are high, due to the long freight haul.

Of late months there has been an active interest in Abitibi stock from New York buyers, largely on account of the company's water power holdings and not to any marked improvement in the newsprint situation. At present Abitibi has developed water powers aggregating approximately 200,000 h.p. and undeveloped water power resources of 500,000 horsepower in reserves.

Room for Expansion

Abitibi's annual capacity of over 700,000 tons of newsprint and 60,000 tons of bleached sulphite pulp is capable of greater expansion from its present timber and water power resources. It is not likely that further development will be taken in the immediate future, rather will there be a consolidation of effort and greater operation of present plants, some of which are comparatively new and low cost producers.

The financial statement of Abitibi for year ended December 31, 1928, does not fully reflect the situation surrounding the company, inasmuch as sufficient time has not elapsed in order to allow the company to realize to the full the advantages of its acquisition.

Financial Position Sound

Abitibi has current assets of $20,431,197, as against current liabilities of $8,334,010, making a net working capital of about $12,000,000. Fixed assets amount to $165,000,000 as against a funded debt of $50,000,000. The preferred stock outstanding totals $34,818,800. Reserves amount to over $24,000,000.

From these figures it will be seen that Abitibi occupies a position in which it should be able to maintain its position while the industry is working its way back to normalcy.

While Abitibi has some pulp and board production, yet the future of the company depends virtually on the market for newsprint paper, hence the immediate outlook for the company is identical with the immediate future outlook for the industry as a whole. Any attempt to assess the value of Abitibi shares must take into account the fact that the industry is somewhat overexpanded, and it will take time to lessen the spread between supply and demand, at which it will be possible to adjust prices for newsprint on a more favorable basis.

Common Stock Increasing

In any consideration of Abitibi, an important feature of the outlook towards common shares is the fact that the number of shares outstanding, or rather, on which dividends will be paid, steadily increases until January 1, 1930.

When the Abitibi Company acquired Spanish River and the various subsidiary newsprint companies, shareholders of all the six companies now comprising the Abitibi Power and Paper Company were given shares in the present company, in exchange for their holdings. In view of the fact that some of the subsidiary mills have not been long in operation, it was thought fair that dividends should only accrue at certain future dates on Abitibi stock given to the shareholders or some of the former subsidiaries.

How the shareholders of the various component companies fared, and the increasing number of shares on which Abitibi has to pay dividends, as time goes on, is shown in the following tabulation which reveals how the common stock capitalization is being increased:

Date of Share Allotment	To Component Companies	Total Shares Outstanding
Jan. 1, 1928	Abitibi and Spanish	688,894
July 1, 1928	Fort William	757,894
Jan. 1, 1929	Manitoba	834,455
July 1, 1929	Ste. Anne	917,705
Jan. 1, 1930	Murray Bay	941,696

Stock Offers Attractions

The investment possibilities of Abitibi common stock are apparent. With its tremendous reserves of pulpwood, developed and undeveloped water powers, distribution of plant and wider markets for its products, low cost producing unit and a proven record of management, Abitibi stands in a position of offering to investors a stock which has undoubted merits.

***Capitalization—**

	Authorized	Outstanding
Com. (n.p.v.)	1,500,000 shs.	988,117 shs.
Pref. 7% cum. ($100 par)	$1,000,000	$1,000,000
6% cum. ($100 par)	$50,000,000	$34,818,800

*Original common stock authorized in 1914, 70,000 shares, $100 par value; decreased same year to 50,000 shares; increased in 1917 to 60,000 shares; decreased again in 1920 to 50,000 shares. Value of stock changed to no par in 1920 and number of shares authorized 250,000; increased to 1,500,000 shares in 1927. Preferred 7 per cent stock reduced from $2,000,000 to $1,000,000 authorization in 1917; 6 per cent stock issued in 1927.

Funded Debt—
5 per cent first mortgage bonds, series A, due 1953; issued $50,000,000.

Dividend Record—
Common—Initial dividend on new no par value paid at the rate of $4 per annum on July 20, and Oct. 20, 1928. None since. Preferred—7 per cent per annum, cumulative, payable quarterly. Initial dividend paid Jan., 1917. All arrears paid during 1919. Dividend paid quarterly since—6 per cent per annum, cumulative, payable quarterly; initial dividend paid April 20, 1928.

Officers and Directors—
Officers—George H. Mead, chairman of the board; Alexander Smith, pres.; W. A. Black, vice-pres.; L. R. Wilson, vice-pres. and man. dir.; George R. Gray, vice-pres.; W. H. Smith, sec.-treas.; J. E. Patterson, mill mgr.; T. Broadhurst, asst. sec.-treas. Directors—Alexander Smith, Chicago, Ill.; L. R. Wilson, Sir Thomas Tait, Victor E. Mitchell, A. J. Brown, E. L. Pease, P. B. Wilson, Montreal; George H. Mead, Dayton, Ohio; George E. Challes, W. K. George, T. Watson Sime, T. H. Watson, Toronto; George R. Gray, Sault Ste. Marie., Ont.

Market Record—

	Common H	Common L	Pref. 7% H	Pref. 7% L	Pref. 6% H	Pref. 6% L
1916	82	65	91	89	..	..
1917	58½	48	90	88½	..	..
1918	57½	48	90	90	..	..
1919	292½	48	110	90	..	..
1920	*340	248	97½	85	..	..
1920	†87	46½	..	..	..	..
1921	58	22	89	83	..	..
1922	71	30	100	83¼	..	..
1923	74	56½	100¼	90¼	..	..
1924	60	53	108½	97	..	..
1925	75¼	61½	111¼	98½	..	..
1926	98	70¼	116	106¾	..	..
1927	149½	82	125	113	..	..
1928x	84½	37½	130	108	103	78
1929**						

*$100 par 1920.
†Changed to no par value.
xNew stock.
** To Sept.

STE. ANNE PAPER CO.
(Subsidiary of Abitibi)

Capitalization—The entire common stock of the company (100,000 shares) exchanged for 90,000 common shares of Abitibi Power & Paper Co. stock on July 1, 1929. The preferred stock formerly outstanding was called for redemption in May, 1928.

Production—
Company controls over 3,000,000 cords of wood mill capacity 22,000 tons newsprint per annum.

MURRAY BAY CO.
(Subsidiary of Abitibi Power & Paper)

Capitalization—
The entire capital stock (125,000 shares) (50,000 shares) is to be exchanged for 25,000 shares of Abitibi common stock on Jan. 1, 1930.

Production—
Annual capacity, 37,000 tons newsprint.

FORT WILLIAM POWER CO.
(Subsidiary of Abitibi)

Capitalization—	Authorized	Outstanding
Com. (n.p.v.)	80,000 shs.	80,000 shs.

Control acquired by Abitibi Power & Paper Co., July, 1928; shares exchanged on share for share basis.

KAMINISTIQUIA POWER
(Subsidiary of Abitibi)

Capitalization—	Authorized	Outstanding
Common "A" .. (No par non-voting).	30,750 shs.	30,750 shs.
Common "B" .. (No par voting).	9,250 shs.	9,250 shs.

All the capital stock, formerly owned by Fort William Power Co., is now owned by Abitibi Power & Paper Co. Preferred stock formerly outstanding, called for redemption in May, 1928.

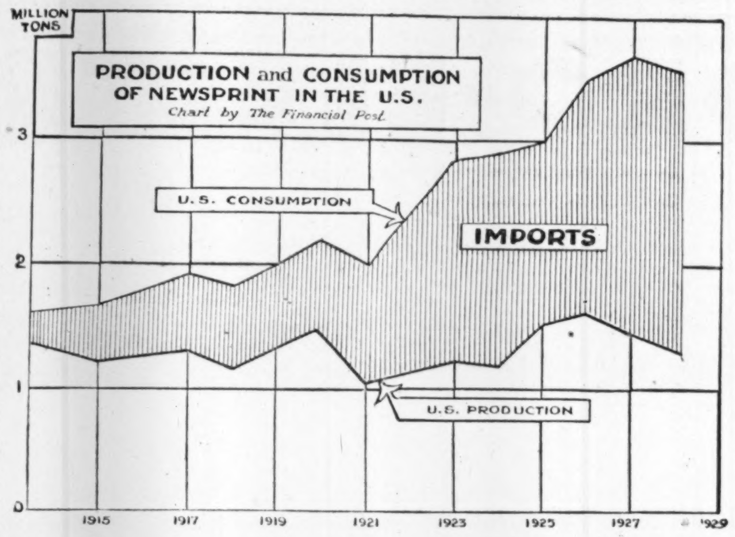
MANITOBA PAPER B
The entire capital stock (125,000 shares) was exchanged for 90,000 shares of Abitibi common stock on July 1, 1929. The preferred stock formerly outstanding was called for redemption in May, 1928.

INCOME & SURPLUS ACCT., YEARS ENDED DEC. 31

	1928	1927	1926	1925	1924	1923
	$	$	$	$	$	$
Gross earnings	......	......	......	10,364,677	10,686,859	11,047,677
Less: Operating expenses	......	......	......	6,124,340	6,301,307	6,768,088
Net earnings	†7,380,964	†4,213,490	4,254,595	4,240,337	4,385,552	4,279,579
Less: In. in funded debt	2,818,108	762,493	539,781	611,420	762,260	882,625
Depreciation, etc.	1,716,815	546,423	597,819	539,000	625,505	930,186
Income tax appro.	......	......	155,000	220,000	190,000	......
Net profit for year	3,846,041	2,904,574	2,961,996	2,869,917	2,807,787	2,466,768
Less appropriations—						
Pref. dividend	70,000	70,000	70,000	70,000	70,000	70,000
Pref. 6% div.	1,459,325	......	......	......	......	......
Common dividends	2,255,416	1,250,000	1,062,500	1,000,000	1,000,000	1,000,000
Reserve for deprec.	......	1,092,492	965,707	1,521,461	1,236,144	......
Shares of sub co's outstanding but since redeem.	179,437	......	......	......	......	......
Surplus for year	*1,118,135	492,082	863,788	278,456	501,643	1,396,768
Add previous surplus	**39,719,008	7,847,894	6,984,106	6,705,650	6,204,007	4,807,239
Adj. of logs invent.	544,520	......	......	......	......	......
Balance carried forward	59,145,395	8,399,976	7,847,894	6,984,106	6,705,650	6,204,007
Times Interest Earned		4.89	6.49	5.69	4.69	3.79
Dividined Record and Earnings on Capital Stock—						
Preferred:						
Earned	284.6%	290.5%	296%	286%	280%	246%
Paid	7	7	7	7	7	7
Common:						
Earned	a1.33	$11.34	$11.56	$11.20	$10.95	$9.59
Paid (on old com.)	1.25	$5.00	$4.25	$4.00	$4.00	$4.00
Paid	b2.00	......	......	......	......	......
Pref. 6%: Earned	7.95	......	......	......	......	......
Paid	6.00	......	......	......	......	......

† After income tax.
* Debit.
** Including undistributed profits of companies now consolidated of $16,801,768 after deduction of bond discount and premiums on securities redeemed. (a) Based on new n.p.v. common stock. (b) Paid on new common.

U.S. Publishers Look to Canada for Newsprint



For several years past, newsprint production of American mills has been totally inadequate to meet domestic requirements. This fact is well illustrated by the above chart, which shows that imports are now actually in excess of home production.

Abitibi's Holdings Are Enormous

Mills	Daily Rated Newsprint	Capacity Sulphite	Timber Limits Cords	Power Resources Developed	Power Resources Undeveloped
Iroquois Falls and Smooth Rock	600	200	15,000,000	120,000	400,000
Soo, Espanola, Sturgeon Falls	730	200	20,000,000	50,000	......
Fort William	175	...	5,000,000	......	......
Manitoba	260	...	6,000,000	......	75,000
Ste. Anne	285	...	3,000,000	......	......
Murray Bay	125	...	†.......	8,450	......
Thunder Bay*	225	...	....	......	......
	2,287	400	49,000,000	178,450	475,000

*Jointly controlled with Canada Power and Paper.
†Hold cutting rights sufficient for plant requirements.

Pulp and Paper Securities

During the past few years we have been closely associated with the financing of a number of Canada's leading newsprint and fine paper companies and the distribution of their senior securities. In view of the strong position of the paper industry, we believe that, at present prices, these securities provide a means of investing with safety at particularly attractive rates. We offer, subject to prior sale and change in price, the following:

Security	Rate %	Maturity	Price	Yield %
Abitibi Power & Paper Company	6	Pref.	Market	7.06
Anticosti Corporation	6½	1941	99.00	6⅝
Anticosti Corporation	7	Pref.	Market	7.14
Belgo Canadian Paper Co. Ltd.	6	1943	100.00	6.00
Belgo Canadian Paper Co. Ltd.	7	Pref.	Market	6.73
Canada Paper Company	6	1945	97.00	6.30
Canada Paper Company	7	Pref.	Market	7.14
Canada Power & Paper Corp.	5½	1958	Market	6.75
Fraser Companies Limited (Convertible)	6	1932	106.00	3.86
Fraser Companies Limited (ex Warrants)	6½	1942	98.00	6.72
Fraser Companies Limited	6	1950	100.00	6.00
Great Lakes Paper Company	6	1950	88.00	7.10
Howard Smith Paper Mills, Ltd.	5½	1953	95.00	5.87
Howard Smith Paper Mills, Ltd.	6	Pref.	Market	6.63
Minnesota & Ontario Paper Co.	6	1950	88.00	7.10
Port Alfred Pulp & Paper Corp.	5½	1957	93.25	6.00
Port Alfred Pulp & Paper Corp.	7	Pref.	Market	7.07
St. Maurice Valley Corporation	5½	1957	93.25	6.00
St. Maurice Valley Corporation	6	1945	98.00	6.19
St. Maurice Valley Corporation	7	Pref.	Market	7.29

Detailed information regarding any of these securities will be furnished upon request.

36 King Street West
Toronto
Telephone: ELgin 4321

Wood, Gundy & Company
Limited

Interlake Tissue

Control of this organization lies with interests closely identified with Provincial Paper Mills. There is no connection betwen these two organizations.

Head office of the company is located at Toronto, while the mill is at Merritton, Ont. Production is limited to light weight paper, high grade products, napkins, towels and decorative crêpe.

Mill production amounts to between 25 and 30 tons daily, or about 7,500 tons yearly.

Capitalization—	Authorized	Outstanding
Common ($100 par)	$1,000,000	$625,000

Funded Debt—
6% first mortgage sinking fund bonds, due 1935; outstanding $196,000.

Dividend Record—
6% paid 1920; 1½% Mar., 1921; 6%, 1924; 6%, 1926, 1927 and 1928.

Officers and Directors—
G. Carruthers, pres.; S. F. Duncan, vice-pres. and treas.; Wm. Parks, sec.; A. Fasken, Toronto; S. B. Monroe, A. B. Connable, A. E. Curtenius, Kalamazoo, Mich.; T. A. Weldon.

Profit and Loss—
Balance, profit and loss account:

Dec. 31, 1922	$110,419
Dec. 31, 1923	132,151
Dec. 31, 1924	99,309
Dec. 31, 1925	109,597
Dec. 31, 1926	102,102
Dec. 31, 1927	102,238
Dec. 31, 1928	116,119

Powell River

May Enlarge Plant if Power is Made Available

In the event that the Powell River Company secures the water power rights at Lois River, near Stillwater, B.C., it will probably proceed at an early date in the establishment of a new unit that will give the combined mills of the company a daily capacity of 1,000 tons of newsprint.

It is estimated that the power available from the development of the Lois River—Gordon Pasha site will provide energy for four additional machines, which would have the effect of doubling production. This would give the Pacific coast its first 1,000 ton newsprint mill, always provided, of course, that the company is successful in securing authority to develop the Lois River power site.

Some Machinery Obsolete

At present the Powell River Company operates six machines, four of which are comparatively old and produce no more than the two new machines which were installed about two years ago, which doubled output. Production at the present time is around 400 tons per day, though the machines have a rating of approximately 500 tons.

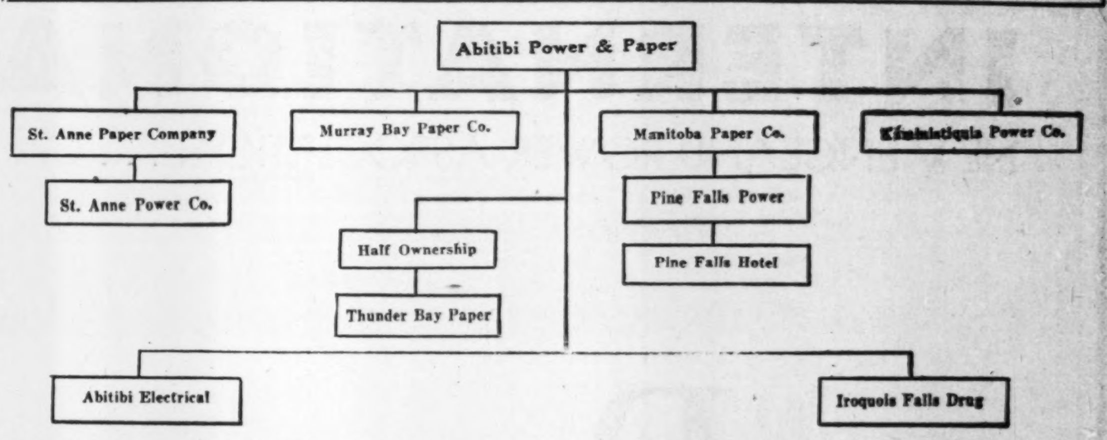
Powell River Company is the largest producer of newsprint on the Canadian Pacific coast. The product is sold to newspapers along the Pacific coast and east of the Rocky Mountains, in Kansas City and elsewhere. The location of the mill at a good harbour 72 miles north of Vancouver, enables the company to export its paper economically to Australia, New Zealand, South America and to Europe.

The company is well fixed in regard to timber supply, the area owned and held under lease totalling 416 square miles. The average annual consumption amounts to 113,000,000 feet b.m. As is the custom on the Pacific coast, large timbers are used, from which a certain amount of stock is taken for airplane propellors.

Powell River Company is owned by the Brooks interests of Minneapolis and the head office is in Vancouver and the executive and operating personnel are largely Canadian.

There is virtually no Canadian investment interest in this company, the stock being closely held by the Brooks interests.

Abitibi's Operations Now Cover Three Provinces



With the absorption of Laurentide and St. Maurice Valley Corporation, Abitibi Power and Paper Corporation sets itself up as one of the largest newsprint producers in the world. This company owns and operates mills at Murray Bay, Ste. Anne, P.Q., Espanola, Port Arthur, Fort William, Sault Ste. Marie, Iroquois Falls, Smooth Rock Falls, Ont., and Pine Falls, Man.

Western Quebec

Western Quebec Paper Mills is still in liquidation. This company has a small specialty mill at St. Andrews East, P.Q.

Operations are being carried on at the plant intermittently. Production capacity amounts to 2,100 tons a year of high grade white and colored tissues, onion skin, decorative crepè and lightweight specialties, as well as bleached sulphite waxing paper.

There have been no new developments of importance since this company went into liquidation in October a year ago, but it is possible that something may be done before long to improve the position of the bondholders.

Capitalization—Authorized and issued 10,000 shares. (No par value).

Funded Debt—First mortgage 6½ per cent bonds, due 1948, $225,000.

Debentures 8 per cent, $125,000.

Officers—R. W. Barclay, pres.; Wm. Currie, vice-pres.; C. De Wolf Reid, gen. mgr.

Air Mail Service Ready

Establishment of the Western Air Mail service route between Winnipeg and Calgary awaits only the lighting of the intermediate flying fields. The Postmaster's Department and the contractors, the Western Canada Airways, are ready to open the service at a moment's notice, J. Herring, Ottawa, superintendent of Air Mail Service, reports.

CANADIAN VEGETABLE PARCHMENT CO. LIMITED

Plain Parchment
Butter Wrappers
Butter Box Liners
Tub Circles
Lard Wrappers and Bags
Milk Can Top Covers
Ice Cream Brick Wrappers, Etc., Etc.

PURITY BRAND
GENUINE VEGETABLE PARCHMENT
"THOROUGHBRED"

Lobster Can Liners
Fish Wrappers
Fish Fillet Envelopes
Fish Box Liners
Poultry Head Wraps
Meat and Ham Wrappers
Sausage Wrappers, Etc., Etc.

GENUINE PURE VEGETABLE PARCHMENT
Modern and complete Printing and Converting department at mills.
MILLS AT MERRITTON, ONTARIO

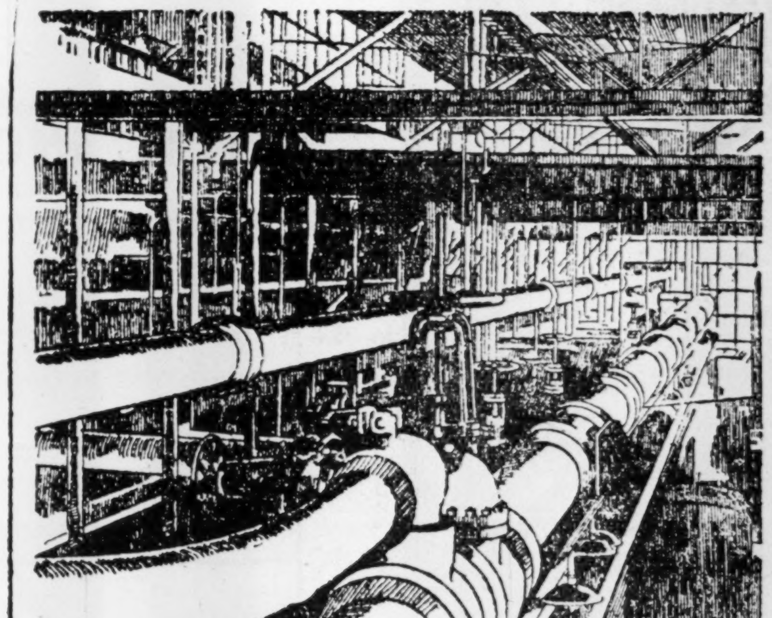
GARDEN CITY PAPER MILLS CO. LIMITED

GARDEN CITY

Toilet Papers, Wrapping Tissues, Paper Napkins, Paper Towels in Rolls and Interfolded, Waxed Papers, Light Weight Specialty Papers
Big Four Line of High Grade Toilet Papers *National No Waste* Cabinet Toilet Tissue
Public Service Folded Towels

MILLS AT ST. CATHARINES and MERRITTON, ONTARIO

CRANE VALVES



Safety, endurance, economy in piping

In scores of the largest power plants in the Dominion and in the United States, serving both private enterprises and public utilities, Crane valves, fittings, and piping materials have been doing their work for years—and are still doing it well.

More and more widely, Crane piping is being installed in newly erected plants For, carefully tested and inspected, it provides absolute assurance of safety under high pressures and temperatures Precisely machined, it reduces installation costs. Expertly engineered and carefully manufactured, it possesses the endurance which keeps down maintenance costs

When selecting piping materials for a city water works, a power plant, or a large factory, or when buying valves and fittings for a small home, it will pay to investigate the Crane line. Wherever used, Crane materials insure the service approved by engineers of widest experience.

CRANE

PIPING MATERIALS TO CONVEY AND CONTROL STEAM, LIQUID, OIL AND GAS

CRANE LIMITED, GENERAL OFFICES: 1170 BEAVER HALL HILL, MONTREAL
CRANE-BENNETT, LTD., HEAD OFFICE: 45-51 LEMAN STREET, LONDON, ENG.

Branches and Sales Offices in 21 Cities in Canada and British Isles
Works: Montreal, Canada, St. Johns, Quebec, and Ipswich, England

INTERNATIONAL HYDRO-ELECTRIC SYSTEM

NEW ENGLAND POWER ASSOCIATION . . . CANADIAN HYDRO-ELECTRIC CORPORATION LIMITED — GATINEAU POWER COMPANY

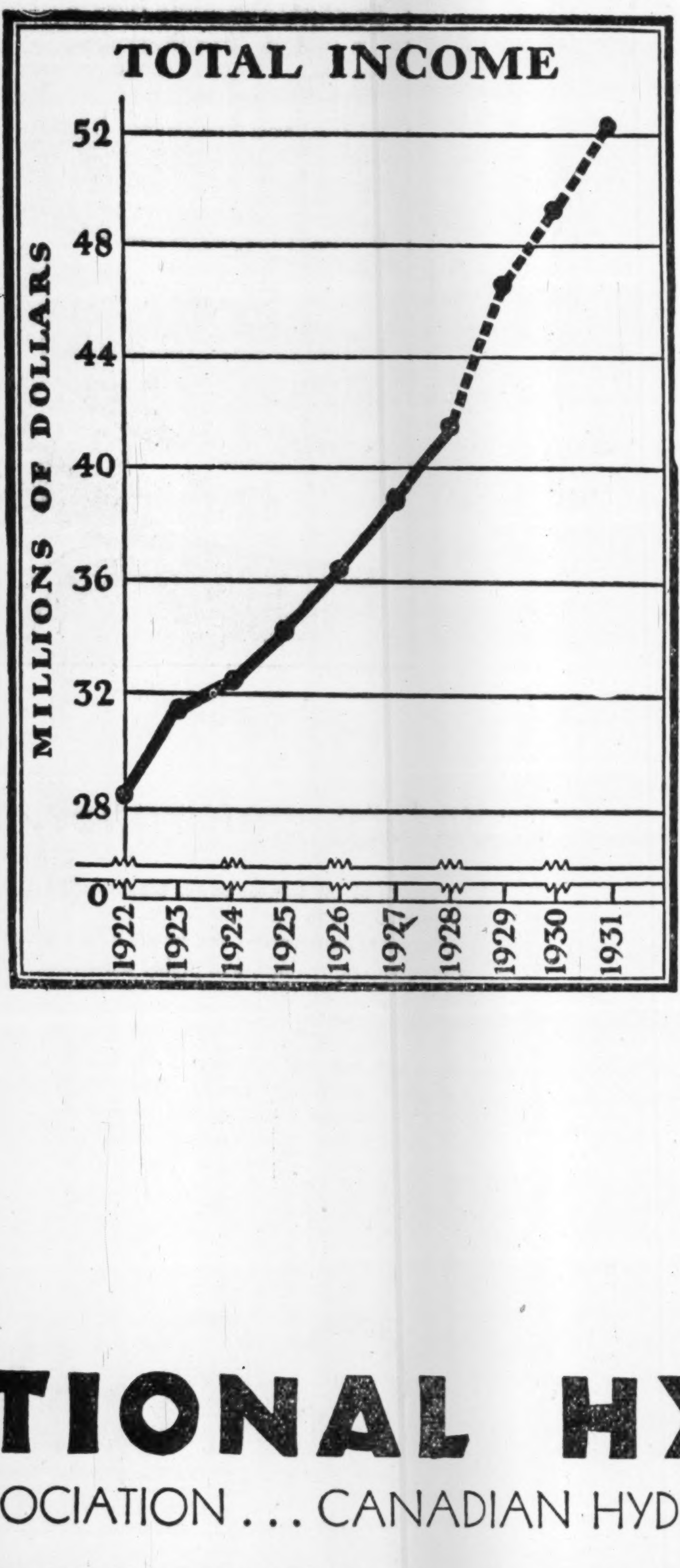
Partners
in the Prosperity of an Industrial Empire

SERVING a great industrial empire in five states of New England and three provinces of Canada, International Hydro-Electric System derives its revenue from a diversity of sources limited only by the variety of products made by its customers.

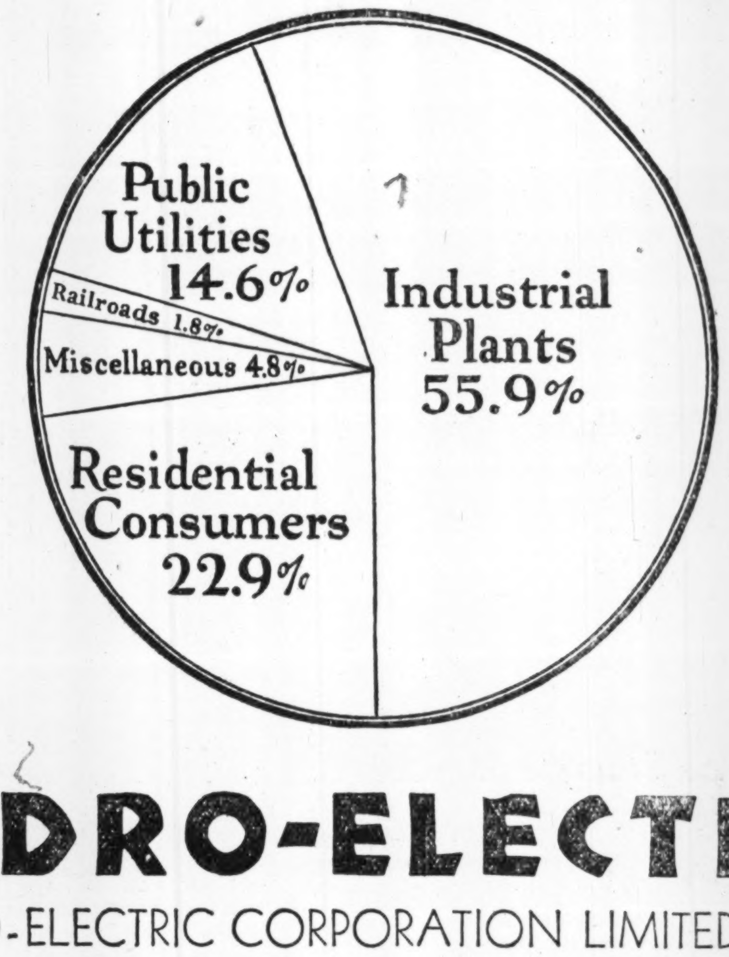
Shoes, silver and granite; golf balls, rayon, cement and jewelry; railroad cars, rubber goods, worsted yarns, chemicals and machine tools; woolen blankets, crankshaft forgings, table damasks and cotton sheetings; insulated wire, airplanes, pianos, upholstery fabrics and printing and writing papers—these and scores of other nationally advertised commodities come from the factories and mills using energy produced by International Hydro-Electric System.

As these products indicate the diversified manufacturing resources of New England and Eastern Canada, so do they evidence the prosperity of these two great industrial areas. New England alone has 650 more factories and 29,000 more industrial workers than in 1925; 217 separate and distinct industries contribute to her welfare. In Canada, increasing demand for electric energy throughout industrial Ontario has caused the Hydro-Electric Power Commission to anticipate its contracts with the System by 20,000 horsepower originally scheduled for delivery a year hence.

On the continued growth and prosperity of basic industries, International Hydro-Electric System forges steadily ahead. Total income from all sources of the companies now constituting the System has shown an average increase of 7.75% for the past six years. Total income for 1929 is now estimated to exceed $46,000,000, an increase over the 1928 revenue of the same properties of over 12%.



THE chart at the left shows record, for the years indicated, of all properties now comprising International Hydro-Electric System, without regard to when these properties were acquired. Figures for 1929-30-31 are estimated, the increments being based largely on contracts now made.



THIS chart shows the percentage of income, from sales of electric energy to the customer groups indicated, received in 1928 by companies now constituting International Hydro-Electric System.

INTERNATIONAL HYDRO-ELECTRIC SYSTEM

NEW ENGLAND POWER ASSOCIATION . . . CANADIAN HYDRO-ELECTRIC CORPORATION LIMITED — GATINEAU POWER COMPANY

Salient Facts of Canada's Pulp and Paper Industry

Production

Newsprint

Year	U.S. production	U.S. Imports from Canada	Canadian production
1928	1,415,000	1,926,277	2,381,000
1927	1,485,495	1,748,404	2,082,830
1926	1,686,695	1,658,240	1,889,208
1925	1,530,000	1,295,000	1,536,523
1924	1,481,000	1,197,000	1,353,000
1923	1,485,000	1,108,000	1,266,000
1922	1,448,000	896,000	1,080,000
1921	1,225,000	657,000	808,000
1920	1,512,000	679,000	875,000
1919	1,375,000	624,000	803,000
1918	1,260,000	581,000	735,000
1913	1,305,000	219,000	350,000

Pulpwood

	Cords
1928	6,323,610
1927	5,929,456
1926	5,621,305
1925	5,092,461
1924	4,647,201
1923	4,654,663
1922	3,923,940
1921	3,273,131
1920	4,024,826
1919	3,498,981

Book and Writing

	Tons
1928	80,498
1927	75,072
1926	80,403
1925	74,724
1924	67,934
1923	81,120
1922	64,808
1921	53,530
1920	73,196
1919	58,228
1918	48,150
1917	48,141

Wrapping Paper

	Tons
1928	111,667
1927	102,707
1926	97,057
1925	91,417
1924	89,441
1923	84,912
1922	81,793
1921	52,898
1920	77,292
1919	59,697
1918	61,180
1917	50,360

Paperboard

	Tons
1928	192,189
1927	161,497
1926	155,469
1925	144,646
1924	135,252
1923	130,582
1922	113,200
1921	89,114
1920	158,041
1919	137,678
1918	87,749
1917	54,080

Bleached Sulphite

	Tons
1928	355,233
1927	305,125
1926	256,868
1925	227,465
1924	200,764
1923	204,297
1922	146,690
1921	154,804
1920	138,624
1919	109,795

Sulphate and Soda Pulp x

	Tons
1928	275,322
1927	262,512
1926	256,075
1925	242,207
1924	218,207
1923	224,813
1922	217,862
1921	131,337
1920	188,487
1919	158,475
1912	33,469

x Soda output is small; about 8,000 tons annually.

Unbleached Sulphite

	Tons
1928	769,456
1927	710,935
1926	738,235
1925	615,320
1924	567,271
1923	545,371
1922	532,188
1921	322,125
1920	515,649
1919	452,320

Groundwood Pulp

	Tons
1928	2,122,916
1927	1,922,124
1926	1,901,268
1925	1,621,917
1924	1,427,782
1923	1,419,547
1922	1,241,185
1921	931,560
1920	1,090,114
1919	990,902

Exports

Total

Fiscal Year	Paper	Pulp	Total
1928	$147,156,792	$45,614,823	$192,771,615
1927	129,637,687	46,996,041	176,633,728
1926	110,104,929	49,909,870	160,014,799
1925	99,941,910	41,565,241	141,501,151
1924	96,957,692	46,173,796	143,131,758
1923	79,567,941	42,976,049	122,554,889
1922	69,533,418	35,924,877	105,458,295
1921	92,103,307	71,552,037	163,655,344
1920	63,253,419	41,373,482	104,636,901
1919	49,165,795	34,696,771	83,862,566
1918	37,865,330	25,640,892	63,506,222
1917	26,107,824	20,414,053	46,521,877
1916	20,042,806	8,035,076	28,077,882
1911	3,924,425	4,715,532	8,639,984

Pulpwood

	Cords	$
1928	1,532,266	16,269,660
1927	1,541,769	15,702,705
1926	1,391,738	14,066,030
1925	1,423,502	14,168,935
1924	1,330,250	13,536,058
1923	1,384,230	13,525,004
1922	1,011,332	10,359,762
1921	1,092,553	14,617,610
1920	1,247,404	15,778,171
1919	1,070,275	10,593,581
1918	1,349,536	12,999,784
1917	1,017,845	7,922,422
1916	1,068,207	6,866,669

Bleached Sulphite Pulp

	Tons	$
1928	251,543	19,112,946
1927	237,227	18,407,169
1926	200,995	15,734,220
1925	185,890	14,049,500
1924	165,869	12,383,645
1923	159,873	13,568,320
1922	151,048	12,112,480
1921	76,801	7,540,128
1920	100,640	15,225,226

Unbleached Sulphite Pulp

	Tons	$
1928	214,127	10,738,977
1927	192,557	10,269,560
1926	254,576	14,393,546
1925	263,854	14,150,271
1924	222,227	11,611,367
1923	228,003	12,405,995
1922	208,445	10,377,746
1921	127,389	9,122,612
1920	281,854	30,778,486

Sulphate Pulp

	Tons	$
1928	162,772	9,595,866
1927	169,793	10,193,307
1926	165,433	10,443,538
1925	149,722	9,158,261
1924	140,183	8,331,931
1923	146,345	9,453,758
1922	148,335	9,166,818
1921	99,539	7,199,218
1920	133,146	12,805,460

Mechanical Pulp

	Tons	$
1928	203,670	5,546,120
1927	260,831	7,764,464
1926	382,077	11,505,818
1925	360,205	10,573,273
1924	253,699	7,916,029
1923	341,108	11,599,323
1922	310,415	9,380,805

Kraft Paper

	Tons	$
1928	16,062	1,755,652
1927	14,306	1,615,872
1926	18,522	2,259,663
1925	20,535	2,779,298
1924	21,586	3,222,520
1923	20,364	3,087,957
1922	18,277	2,740,049
1921	6,893	1,295,332
1920	17,727	3,448,516
1919	12,499	1,917,817
1918	13,098	1,767,567
1917	11,311	1,158,348

Newsprint

	Tons	$
1928	2,206,587	141,102,527
1927	1,881,865	123,222,094
1926	1,731,986	114,089,595
1925	1,401,655	98,945,337
1924	1,219,384	90,990,717
1923	1,137,963	85,611,258
1922	959,512	68,362,817

Book Paper

	Cwts.	$
1928	71,802	588,671
1927	99,870	690,680
1926	60,545	520,337
1925	47,765	434,693
1924	22,874	189,113
1923	48,318	345,956
1922	31,695	225,710
1921	34,167	444,628
1920	58,768	628,118

Bond and Writing Paper

	Cwts.	$
1928	6,892	58,600
1927	15,357	124,787
1926	19,044	143,806
1925	12,371	102,039
1924	19,939	209,364
1923	23,222	240,535
1922	12,228	132,980
1921	23,698	411,083
1920	55,788	800,037

Paperboard

1928	$1,640,973
1927	$2,639,190
1926	3,090,215
1925	3,170,869
1924	$3,336,925
1923	3,248,177
1922	2,328,929

Protection of Limits Calls for Prevention

Protection of its timber limits is an important consideration with the A. P. W. Pulp and Paper Company, Limited, Sheet Harbor, N.S. Working in conjunction with International Paper Company, this concern four years ago had over 45 miles of telephone lines. Today the company has over 50 miles and the use of the Nova Scotia Power Commission's lines, which gives it over 75 miles of telephone lines.

Steel towers also play an important part in the fire protection system. In 1924, two steel structures, each 80 feet in height and embedded in concrete, were erected on the lands of the company. In each tower the company maintains one man, one hyprograph, one psychrometer and field glasses. Plans are under way with another large timberland owner in the province, under which another 80-foot tower is to be erected and connected with the two now in place. These towers will easily cover over 1,500,000 acres of timber lands and will provide a good degree of protection from forest fires.

In the way of equipment the A. P. W. Company has three portable gas pumps, five fire trucks, six automobiles and 150 men all ready to jump in at any fire reported. Furthermore, the company's cooks stand ready at all times to supply these men with food and the office manager by being in constant touch by telephone with the field work, looks after the distribution.

The company has posted thousands of the usual tin signs on every road, trail and camp in the area covered by its lines. During the past season the company erected six large sign boards along the highways and tote roads leading to its forests. No passing automobile can fail to notice these signs as the lettering is so large and the words so spaced that the message can easily be read even though travelling at a high rate of speed.

The company's telephone lines, starting from its main office in Sheet Harbour, make a complete record of its timber lands. Six miles of line are strung along two tote roads penetrating the forest. Along these lines are 42 permanent telephone boxes, some of which are installed in farm houses, while two are movable. In addition, there are test phones for cutting into the line at any point.

Alberta Draws Homesteaders

More than ten thousand homesteads in Western Canada have been filed upon during the first eight months of the current year, with the Province of Alberta still playing the major part. The total of homestead entries for the period was 10,492 as compared with 8,618 for the similar period of 1928. Alberta recorded 6,021 as against 4,976 last year; Saskatchewan 3,480 against 2,811; British Columbia 541 against 483 and Manitoba 450 against 348. Homestead filings for August amounted to 1,459 as compared with 1,884 for the same month last year.

Dominion and Provincial Government Bonds

Municipal Bonds

Public Utility and Industrial Financing

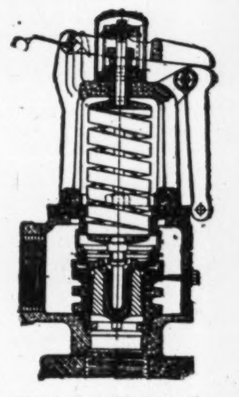
Foreign Issues Quoted

DOMINION SECURITIES CORPORATION
LIMITED.
ESTABLISHED 1901
Head Office: TORONTO, 26 King Street E.

MONTREAL
WINNIPEG
VANCOUVER

TORONTO
NEW YORK
LONDON, ENG.

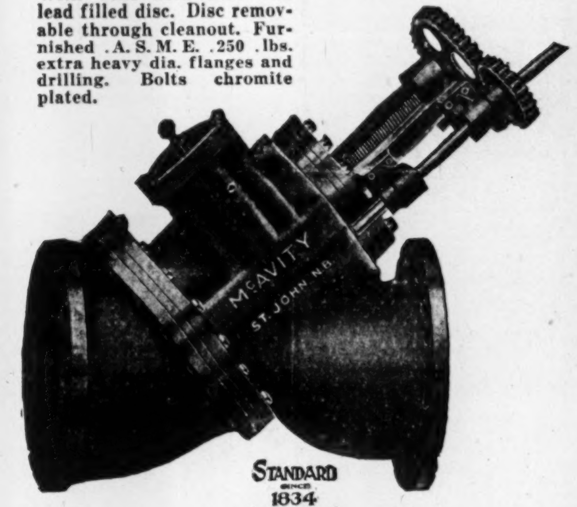
Bronze in the Age of Paper

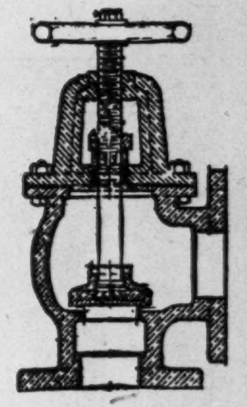


"World" Acidrist reinforced consolidated pop safety valves.

"WORLD" DIGESTER "Y" BLOW-OFF VALVES GEAR OPERATED

With renewable seat and lead filled disc. Disc removable through cleanout. Furnished .A. S. M. E. .250 .lbs. extra heavy dia. flanges and drilling. Bolts chromite plated.





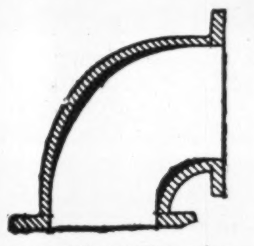
"World" Acidrist reinforced angle valve with bolted cover and rolled phosphor bronze spindles.

STANDARD
SINCE
1834
TRADE MARK
WORLD

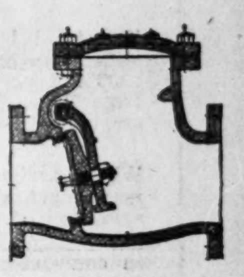
IN THE manufacturing of supplies for Sulphite Mills, such as Valves and other Digester equipment, it is, of course, necessary to use an absolutely uniform mixture of the requisite component "Virgin" metals to obtain a result that will be of the highest degree of resistance to acid effects in order that delays in the digester rooms may be cut to the minimum and the maximum output obtained.

In **"WORLD" BRONZE "ACIDRIST"** we supply exactly the mixture that is required for most effective service and we are equipped with the facilities necessary to furnish our customers' needs in the shortest time. We have the equipment for melting and pouring the very largest castings and our range of patterns for the most up-to-date types of valves, fittings and specials for Sulphite Digesters is one of the most complete in Canada. We also make castings from your patterns if desired.

T. McAvity & Sons LIMITED EST'D. 1834
HEAD OFFICE AND WORKS
SAINT JOHN, N.B.
BRANCHES
MONTREAL 1191 University St.
TORONTO 50 Lombard St.
OTTAWA 209 King Edward Ave.
WINNIPEG 171 Market St., East
VANCOUVER 566 Beatty St.



"World" Acidrist reinforced bronze 90° flanged elbow.



"World" Acidrist reinforced bronze full way check valves.

International Power and Paper

Four Year Programme of Expansion Now Nearing Completion—Company Among Leaders in Many Fields of Activity—Assets Near $650,000,000

After four years of intensive expansion, International Paper and Power Company and its subsidiaries are within striking distance of completing a programme which has involved an expenditure of several millions of dollars. Except the paper mills at Dalhousie, N.B., and Mobile, Ala., now nearing completion, and the proposed New Brunswick and Northern Maine mill developments, only minor projects remain.

In the four years which have elapsed, control of the New England Power Association has been acquired; 20 hydro-electric plants have been built or purchased; four kraft pulp and paper mills in the Southern States have been erected or purchased, and another will soon be in operation; a newsprint paper mill has been built in Quebec, another in the same province has been enlarged, a third has been acquired in Newfoundland, and a fourth is nearing completion in New Brunswick.

Have Developed Income

The general policy of the company through this period has been one of developing income, producing power properties and reorganizing paper producing properties for increased efficiency and economy of production, adding new units where necessary and creating a well-diversified line of products.

The company emerges from this programme as a factor of the first rank in several well-diversified fields; it is one of the largest owners of hydro-electric properties, and the world's leader of newsprint manufacture, as well as in the manufacture of kraft paper; it supplies about half the world's requirements of bleached sulphite pulp as a raw material for rayon, and in addition is a substantial factor in many other grades of pulp and paper products.

New Financing Heavy

Naturally, this enormous programme of development has not been undertaken without the raising of additional capital. International Paper has been in the market many times and its capitalization has increased rapidly. At the same time, income has not increased in proportion, with the result that the company has not been earning dividends. Yet, on the other hand, earning power has been increasing, more especially from hydro-electric sources, and provided that the company can keep the ball rolling for a little while longer, it is anticipated that earning power will be developed sufficient to take care of dividend requirements.

There has been much adverse criticism of International's programme of paper expansion in the face of uncertain markets. On the other hand, International Paper stock has managed to hold its own and, generally speaking, has not reflected the uncertainty shown by stocks of other newsprint companies. This indicates that in its development programme, the management has the support of a strong financial backing.

Assets Over $600,000,000

At its present rate of growth, it will not be long before International Paper and Power Company, with subsidiary organizations, is in the billion dollar corporation class. As of June 30, 1929, International Paper and Power had total assets of $649,365,000. Of this, some $548,208,000 were fixed assets, $353,158,000 represented by electric power and utility properties and $195,050,000 by paper and pulp properties.

The rapid growth of the company is shown by the fact that the present assets are over six times the $102,102,000 assets of International Paper Company and subsidiaries on December 31, 1924, practically all of which was represented by paper and pulp properties.

Has Many Interests

Much space would be needed to give in detail the various direct and associated interests of International Power and Paper Company. Moreover, these holdings are changing from time to time. The following tabulation, however, is a recent compilation of the major operations, or holdings of the company:

44 paper and pulp mills
2 fibre board mills
1 envelope plant
8 paper bag mills
26 hydro-electric plants
9 saw mills
5 drum barker mills
2 machine works
1 coal mine
1 oil terminal plant
1 wood handling plant
1 leatherboard mill
3 steamship plants.

Furthermore, International Paper and Power Company has various hauling out and cutting up plants, plant and equipment for operating in the woods, tugs, towboats, etc, etc.

Corporate Set-up Simple

To the layman in finance the corporate set-up of International Power and Paper Company is a complicated and somewhat incomprehensible structure. The constitution of the present company, however, is not as complicated as it appears on the surface. If one bears in mind that the activities of International Power and Paper Company are divided into two distinct fields—pulp and paper and hydro-electric—the set-up is more readily grasped.

International Power and Paper is the holding company for International Paper Company and International Hydro-Electric Systems. As the name implies, International Paper Company has control of the various pulp, paper and sawmill activities, while International Hydro-Electric System controls New England Power Association and Canadian Hydro-Electric System and various constituent or subsidiary companies.

Property Control Complete

Most of International Power and Paper Company's paper properties are owned outright, but in many instances there is a direct investment interest. Of the 44 pulp and paper mills operated by the company, eight are located in Canada, one in Newfoundland, and the balance in the United States.

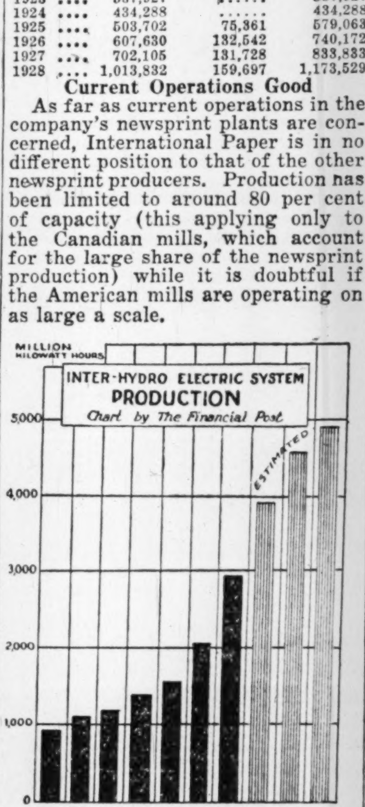
The capacity of the company's plants is now somewhere in the neighborhood of 1,600,000 tons per annum. While production does not come up to that figure, International Paper has built with an eye to the future. Last year the company produced 1,173,529 tons of pulp and paper, over 300,000 tons more than in the previous year. The growth of this branch of International Power and Paper's activities is really judged by the fact that production has more than doubled since 1925.

Production in Tons

	Paper	Pulp for Outside Sale	Total Paper and Pulp
1918	472,668	269	472,937
1919	472,007	185	472,192
1920	532,091	6,699	538,790
1921	205,114	......	205,114
1922	433,809	911	434,720
1923	537,927	......	537,927
1924	434,288	......	434,288
1925	503,702	75,361	579,063
1926	607,630	132,542	740,172
1927	702,105	131,728	833,833
1928	1,013,832	159,697	1,173,529

Current Operations Good

As far as current operations in the company's newsprint plants are concerned, International Paper is in no different position to that of the other newsprint producers. Production has been limited to around 80 per cent of capacity (this applying only to the Canadian mills, which account for the large share of the newsprint production) while it is doubtful if the American mills are operating on as large a scale.



With the low price for newsprint, approximately $5 a ton less than last year, it is apparent that net income of the company from its newsprint production is not increasing in the same ratio as production. However, demand for newsprint has been increasing steadily this year and it is likely that the production figures for 1929 will show another substantial increase.

Other Paper Enterprises

International controls the International Paper Company of New Brunswick, which is now completing a mill at Dalhousie, N.B., with a rated capacity of 450 tons a day. This subsidiary also has under way construction of a pulp mill at Chatham, construction of which will be started some time this fall.

Through International Paper Company, the company controls International Power and Paper Company of Newfoundland Limited, which operates a 450 ton newsprint mill at Cornerbrook. In addition there is a power development at that point of 98,000 horsepower installed out of a total designed capacity of 126,000 h.p.

At one time International Paper had control of the voting stock of Bathurst Power and Paper Corporation, a company producing 130 tons of newsprint with an additional output of pulp in New Brunswick. It is understood that some changes have been made in respect to control of stock, but, at any rate, International Paper still continues to function as manager of this property.

Though official information has not yet been made public, it is understood that International Paper has acquired an interest in Canadian Forest Products, Limited, of Vancouver, and proposes to carry out a development programme involving an outlay of some $15,000,000. The plant of this company is located at Beaver Cove, on the east coast of Vancouver Island, and has been inoperative for some years. Several million dollars have been spent on the plant and it is possible that it will be reopened by International Paper.

International Paper's timber limits extend from Lake Nipigon, Ont., to Nova Scotia, in Canada, and are spread throughout the United States. At the end of 1920 the company controlled 3,307,349 acres of freehold land, of which 1,839,484 acres were located in the United States and 1,467,865 in Canada and Newfoundland. The freehold limits are estimated to have thereon 13,074,300 cords of pulpwood, including spruce, fir and jackpine, except in Southern States, where pulpwood consists of several species of pine. The company also controls some 18,201,647 acres of Crown limits in Canada, estimated to have 71,680,840 cords. In all the company controls 21,419,196 acres, having thereon 84,755,140 cords of pulpwood. Particulars follow:

Estimated Pulpwood Resources
(December 31, 1928)

Freehold:	Acres	Bonds
United States	1,839,484	7,086,700
Canada and Nfld. ...	1,467,865	5,987,600
Total	3,307,349	13,074,300
Crown Limits	18,211,847	71,680,840
Grand Total	21,519,196	84,755,140

Power Field Divided

The hydro-electric interests of International Power and Paper Company are divided into two divisions, namely, that of New England Power Association and Canadian Hydro-Electric Corporation. The New England Power Association is the largest electric utility organization in the New England States; its power developments are the largest east of Niagara. Power and light are furnished in Vermont, New Hampshire, Massachusetts, Rhode Island and Connecticut, covering an area of about 90,000 square miles.

Through the sale of power to the local distributing companies, the New England Power supplies light and power to nearly 300 communities having a population in excess of two and one half million people. Last year the company had a total production of 1,348,834,000 kilowatt hours or roughly 220,000,000 kilowatt hours more than in the previous year. Details of the operations of New England Power Association for 1928, 1927 and 1926 accompany this review.

Output Gains Sharply

In the first seven months of this year output of New England Power Association was 1,583,000 kilowatt hours, 31 per cent greater than in the corresponding period of 1928 and 65 per cent greater than the first seven months of 1927.

The 185,000 horsepower hydro-electric plant of New England Power Association, now under construction at the Lower Fifteen Mile Falls site on the Upper Connecticut River, raises the capacity of the hydro-electric plants of the association to 414,500 horsepower. This plant is scheduled for operation October 1 next year.

Over Million H.P. Developed

With the completion of Lower Fifteen Mile Falls development, International Hydro-Electric System will have hydro-electric branches in the United States and Canada of an aggregate capacity of 1,037,100 horsepower ~~installed~~ and in operation. More than 800,000 additional hydro-electric horsepower is yet undeveloped, but is available for further development.

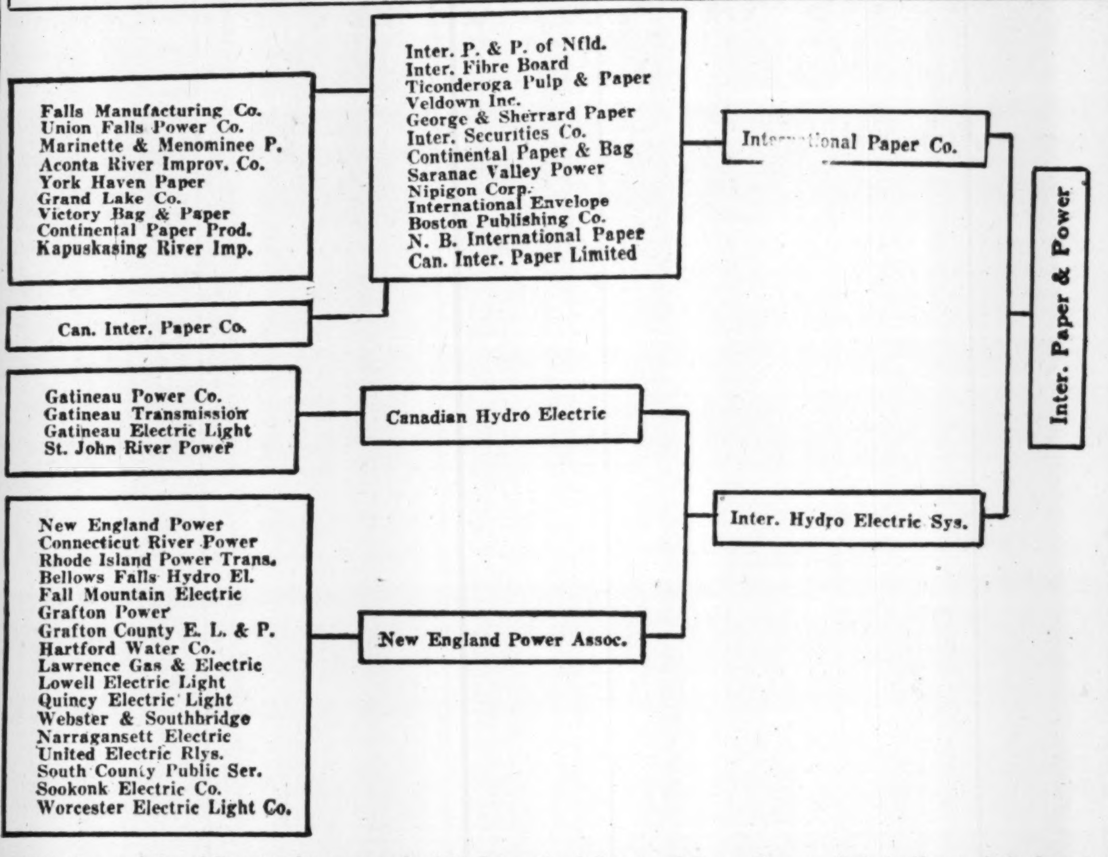
In addition, the Association has 477,500 horsepower in its steam and electric plants.

Canadian Hydro Big

Probably the greatest interest in International Power and Paper Company's hydro-electric developments centre around the Canadian Hydro-Electric Corporation, which is developing several important sites on the Ottawa and Gatineau Rivers, as well as in the Maritime provinces. Canadian Hydro-Electric Corporation has had a particularly impressive growth in the electric power field in Canada and as a result now ranks high among the great power systems of the world.

International Power and Paper
(Continued on page 45)

International Power—A Company of Companies



With the completion of its expansion program in sight, International Power and Paper Company finds itself one of the largest power companies in the world; the world's greatest newsprint producer; and one of the principal lumber operators and pulp producers on the continent. Its interests are many and varied. Operations are carried on throughout Canada and the United States.

NEW ENGLAND POWER ASSOCIATION
Comparative Statistics Covering Subsidiary Companies as Constituted at December 31, 1928

	1928*	1927	1926
Total production—kilowatt-hours	1,348,834,000	1,120,470,000	1,085,021,000
Generated—Hydro	693,900,000	469,608,000	418,113,000
Steam	512,818,000	512,661,000	523,616,000
Total generated	1,206,718,000	982,269,000	941,729,000
Purchased—Hydro	109,866,000	108,226,000	115,374,000
Steam	68,250,000	29,975,000	27,918,000
Total purchased	178,116,000	138,201,000	143,292,000
Sales—Primary	881,498,000	834,646,000	815,207,000
Secondary	206,865,000	61,403,000	37,483,000
Used in railway operations	59,111,000	57,295,000	59,670,000
Total sales and railway use	1,147,474,000	953,344,000	912,360,000
Maximum hour, kilowatts	310,000	263,650	261,100
Hydro storage used, kilowatt-hours	345,835,000	253,635,000	225,389,000
Hydro storage, kilowatt-hours. End of year	44,467,000	109,082,000	64,701,000
Revenue passengers carried	95,500,000	99,749,000	103,320,000
Gas production—cubic feet	1,088,093	1,142,611	1,120,644
Customers—Electric	221,000	207,830	183,555
Customers—Gas	41,500	43,962	45,367

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*Subject to final correction.

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Cruising—Appraising—Selling
Service to the Forest Industries
Since 1924 we have reported on 55,000,000 acres of forest land covering blocks extending from Nova Scotia to Manitoba

Our organization is equipped to carry out:→
General Consulting.
Timber Estimating.
Timber Appraisals.
Timber Financing.
Technical Forestry.
Foreign Exploration.
Forest Protection Plans.
Aerial Forest Surveying.
Liquidation of Properties.
Management of Timber Lands.
Inspection of Cutting Operations.
Buying and Selling Timber Lands.
Appraisals of Damage by Fire or Other Causes.
Supervision of Lumber or Pulpwood Operations.

James D. Lacey & Co.
(Canada) Limited
606-7 Castle Building • MONTREAL
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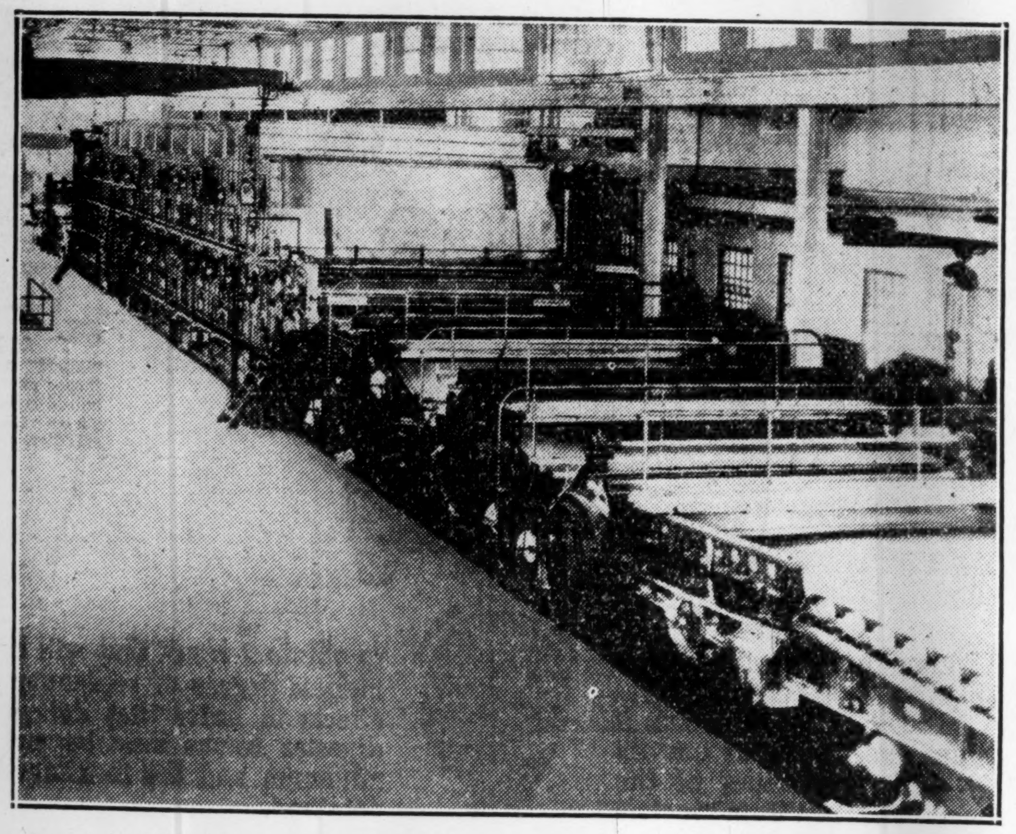
The Minton Vacuum Paper Machine Dryer
for lower paper production costs


One of the 234" Vacuum Dryer equipped newsprint machines at Price Bros.' Riverbend Mill.

The above machine is now in commercial production running over 900 ft. per minute making standard newsprint.

It is equipped with removable fourdrinier, two suction presses, no third press and twenty-two 5 ft. diameter by 134 inch face dryers.

The total length of this machine, capable of running over 1200 ft. per minute, is 173 ft. from head box to callender stack.

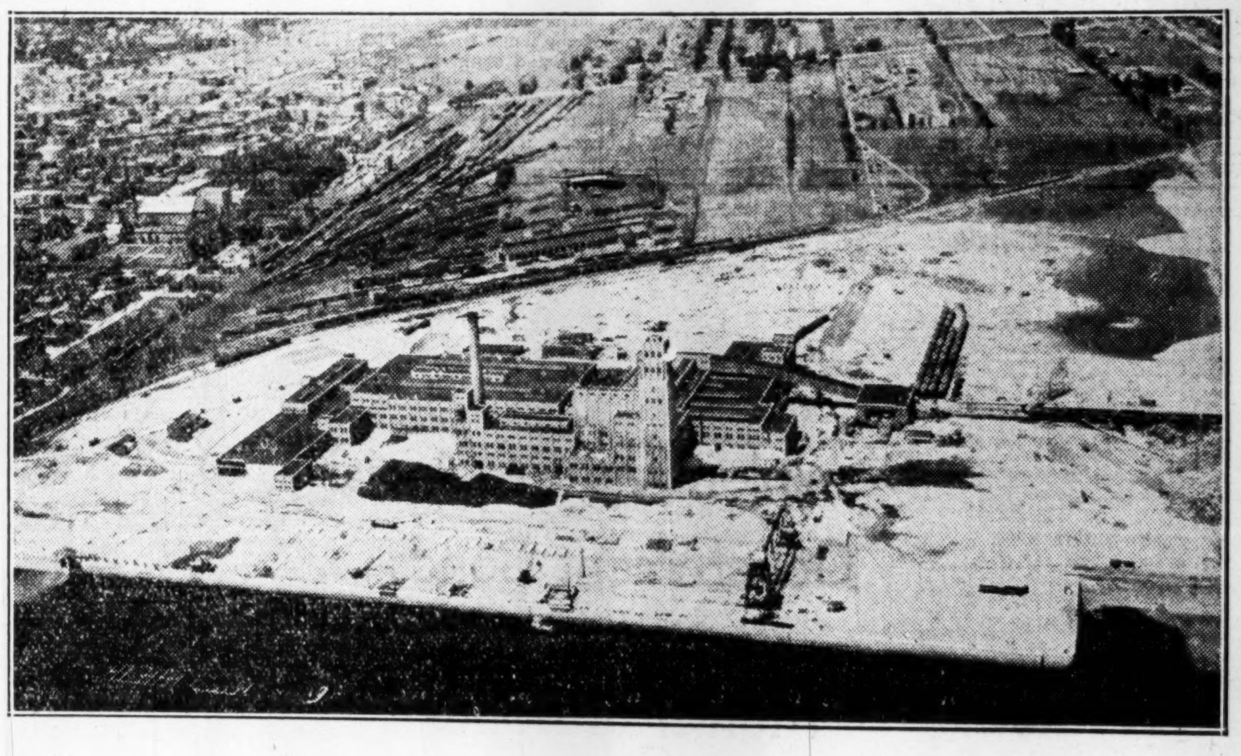
What has been a possibility is now an actuality. A steam consumption of over 5000 lbs. per ton of news has been obtained in comparison with over 9000 lbs. on standard open dryer machines.

Economies of operation have now been definitely established sufficient to warrant replacing present drying equipment with Vacuum Dryers.

Many paper machines are prevented from speeding up due to lack of dryers and lack of space in which to place additional dryers. In such cases a Vacuum Dryer can be substituted for present equipment and the speed of the machine doubled and in such instances it can often be shown that sufficient steam will be saved to dry the additional amount of paper made.

In the case of new installations, economies of operation are so great that there can be no question about installing Vacuum Dryers. Only half the floor space is required and the problem of ventilating the machine room is eliminated. Such economy of manufacture, combined with general mechanical efficiency and ideal drying conditions, has recently gained for us additional orders for two 100 ton Pulp Dryers, one tissue and one high grade rag paper machine.

MINTON VACUUM DRYER COMPANY
(CANADA) LIMITED
1117 St. Catherine St. W. MONTREAL


ANGLO-CANADIAN PULP AND PAPER MILLS, LIMITED
QUEBEC, P.Q., CANADA

* * *

NEWSPRINT PAPER

* * *

Mills at Quebec City Capacity 500 Tons Daily.

International Power and Paper

(Continued from page 44)

In 1928 Canadian Hydro-Electric Corporation produced 1,294,961,000 kilowatt hours of electric energy. In the last two years three large hydro-electric plants and a storage dam have been built on the Gatineau River, power stations on the Ottawa River, and its other tributaries, high tension transmission lines in the area lying between Ottawa and Montreal acquired, and the whole welded into a co-ordinated power system. In New Brunswick a hydro-electric plant,—the largest in the Maritime provinces—has been built at Grand Falls under the aegis of another subsidiary, the St. John River Power Company.

Develop Gatineau River

The opening of the Paugan plant in October, 1928, marked the completion of the first stage in the development of the power resources of the Gatineau River by the Gatineau Power Company, a subsidiary of Canadian Hydro-Electric Corporation. Two other power houses on the river, at Palmerston and Chelsea, came into operation in 1927.

Ontario Buys Power

The contract under which the Paugan station is delivering electric energy to the hydro-electric power commission of Ontario is one of two contracts which Gatineau Power Company has with the commission, and is one of the largest power contracts ever signed. It runs for thirty years and calls for annual increase of quantity of power until October 1, 1931, when the fixed maximum demand will be 260,000 horsepower and the total yearly kilowatt hours to be delivered approximately 1,129,000,000, which rate continues throughout the life of the contract.

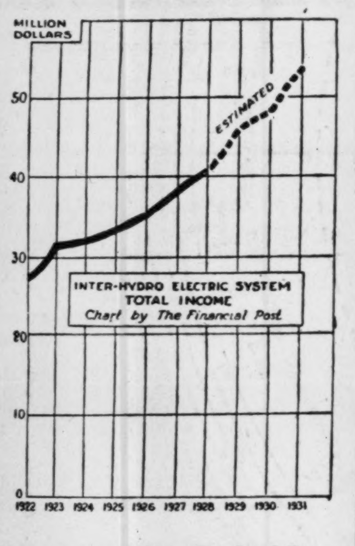
Under the second contract which Gatineau Power Company has with the Hydro-Electric Commission of Ontario, an additional 100,000 horsepower is reserved for the Commission, which agrees to take at least 60,000 horsepower. This power is to be taken in minimum annual increments of 6,000 horsepower for ten years from October 1, 1928. The Commission will take the balance of the 100,000 horsepower during the ten years as far as needed.

Electric Output Doubled

Production of electric energy in 1928, by International Paper and Power Company's system with 3,504,181,000 kilowatt hours, practically doubled the output of the system for the previous year, 1927.

At the close of 1928 the International Power system included hydro-electric developments in the United States, Canada, Newfoundland, with an aggregate capacity of 1,217,600 horsepower developed and under construction. Of this, 562,600 horsepower was at Gatineau Power Company in its plants on the Ottawa River and tributaries and 414,500 horsepower was in New England plants.

In addition to the above, International Paper Company had hydro mechanical power plants of 110,000 horsepower and New England Power Association had 382,000 installed horsepower of central station steam Power Association.



Another feature of International's activities which came in for comment, of an adverse character, was the company's holdings in newspapers. Some time ago International bought control of a number of newspapers in the United States to ensure a steady market for its newsprint production. Investigation into the alleged corruption of the press by public utility interests in the United States led to the discovery of International Paper's holdings. There was a great hullabaloo in this regard, so that International Power and Paper took steps to dispose of its newspaper interests.

International Power and Paper Company has numerous subsidiaries of interest to Canadian investors, which are treated separately in this issue. Among these companies are included Continental Paper Products, International Fibreboard Company, New Brunswick International Paper Company, and the International Paper Company, and the International Paper Company of Newfoundland.

Speculate on Outcome

If the paper market undergoes a substantial betterment, International Paper's success in the future will probably be comparable to anything yet achieved along industrial and financial lines. The speculative feature of the shares, though, lies in the fact that the company's earning power has yet to catch up with its rapidly increased capitalization. Furthermore, this situation is aggravated by the fact that the present paper capacity is in excess of market requirements. This matter, however, has undergone considerable improvement over the past six months and is likely to continue improving.

The management of International Power and Paper is able. It seems probable that Archibald Graustein, the president, and his board will desire further expansion and that other companies will be bought or acquired by an exchange of shares. Apparently, the International management is out to dominate the whole paper situation on this continent. If it succeeds in so doing, the shares will be worth materially more than their present price. The present position and industrial conception which inspired the management to undertake the large expansion programme, now nearing completion, is something that certainly increases the attraction of the company's stock, although it also makes it the more speculative.

Capitalization—	Authorized	Outstanding
7% Pf. ($100 par)	$100,000,000	$42,986,300
6% Pf. ($100 par)	2,000,000	1,465,000
"A" common	5,000,000 sh.	459,783 n.p.
"B" com. (shs.)	3,000,000 sh.	
"C" common	3,000,000 sh.	

Funded Debt—
None.

Dividend Record—
Preferred—7% per annum, payable quarterly, Jan., Apr., July and Oct. 15. Initial dividend paid Jan. 15, 1929.
6% Preferred—Payable quarterly same as above.
Class "A" common—Initial quarterly dividend of 60c per share paid Feb. 15, 1929. Class "B" and Class "C" common—None paid.

Officers and Directors—
Officers—A. R. Graustein, pres.; Frank D. Comerford, N. C. Head, W. N. Hurlburt, H. R. Weaver, vice-pres.; C. A. Coolidge, Jr., sec.; E. E. Adams, asst.-sec.; F. D. Comerford, treas.; A. G. Ladd, sec.-treas.
Directors—W. C. Baylies, F. D. Comerford, Philip Stockton, D. G. Wing, Boston; F. N. B. Close, A. H. Wiggin, A. R. Graustein, New York; J. R. Macomber, Framingham; G. K. Simonds, Fitchburg.

Income and Surplus Account. for the Quarters Ended:

	June 30, 1929 $	Mar. 31, 1929 $
Net earnings	9,267,342	4,627,211
Less: Depreciation	2,405,129	1,818,028
Amortiz.	3,395,059	1,878,521
Tax res.	391,368	35,000
Min. int. earn. at E. P. Assoc...	310,915	......
Net profits	2,581,466	776,109
Less appropriations:		
Subsid. divs.	1,653,814	295,687
Pref. divs.	1,609,758	1,606,858
Class "A" divs.	597,779	594,222
Surplus for quarter....	*1,278,895	*1,720,658
Prev. surp.	16,459,673	18,180,332
Surp. adjust.	†1,643,986	......
Bal. carried fwd.	16,824,764	16,459,674

* Deficit.
† Represents undistributed earned surplus of New Eng. Power Assoc. applicable to shares held by Inter. Paper & Power and subsidiaries arising since date of original acquisition of such shares, and minor surplus adjustments.

Market Record—

	*1929		1928 H	1928 L
Preferred			91	88

	"A" H	"A" L	"B" H	"B" L	"C" H	"C" L
*1929	35⅜	27½	24½	15⅜	16¾	10⅜

* To Sept. 12.

Capitalization—	Authorized	Outstanding
Com. (n.p.v. shs.)	1,000,000	1,000,000
Pref. 7% cum. ($100 par).	$100,000,000	$96,105,600
Pref. 6% cum.	25,000,000	1,828,000

As at March, 1929, 94% of the preferred and 99% of the common had been exchanged for preferred and common of International Paper and Power Co., which now holds a controlling interest in the company.

Basis of Exchange—
7% pref. of I.P.C. for 7% pref. of I. P. & P. C. on a share for share basis.
6% pref. of I.P.C. for 6% pref. of I.P. & P.C. on a share for share basis.
For each share of I.P.C. common one share each of "A," "B," and "C," common of I. P. & P.C.

Funded Debt—
Total outstanding $145,732,000, consisting of:
5% first and refunding mortgage bonds due 1947; outstanding $17,221,000.
6% refunding mortgage bonds, due 1955; outstanding $21,276,000.
6% serial gold notes, due 1930-36; outstanding $1,400,000.
Ticonderoga 5% refunding mortgage bonds, due 1930; outstanding $218,000; 6% refunding mortgage bonds, due 1942; outstanding $5544,500.
Riordan 6% bonds, due 1942; outstanding $1,194,300. Purchase money mortgages $113,000.
Property purchase obligations $4,917,209.
Bastrop 6½% first mortgage bonds, due 1940; outstanding $557,000.
Gatineau Power 5% first mortgage sinking fund bonds, due 1956; outstanding $52,242,500; 6% debentures, due 1941; outstanding $544,500.
Gatineau Power, 6% debentures "B," due 1941, $7,500,000.
St. George Pulp & Paper Co. 6% first mortgage bonds, due 11932; outstanding $132,000.
International P. & P. of Nfld. 5% 1st mtge. due 1968, $4,866,00. Newfoundland P. & P., 4½% "A" deb. stock, due 1973, outstanding $9,733,000; 6½% "B" mtge. deb. stock, due 1970, $9,733,000. Cont'l P. & P. Mills, 1st & ref. mtg. 6½% bonds, due 1944, $340,100. Marinette & Menominee Paper Co., 7½%, due 1936, $1,313,700. Continental Paper Products, 6½% bonds, due 1943, $591,500.

Officers and Directors—
Officers—A. R. Graustein, pres.; Allen Curtis, 1st vice-pres.; E. A. Charlton, vice-pres., J. L. Fearing, vice-pres. and sales mgr.; Owen Shepherd, vice-pres. and treas.; A. H. White, vice-pres. and chief eng.; R. J. Cullen, W. H. Hurlbert, J. H. Hinman, H. A. Sheesley, vice-pres.; E. A. Adam, asst.-sec.
Directors—M. G. Chace, F. N. B. Close, Allen Curtis, Herman Elsas, A. R. Graustein, P. H. Jennings, J. R. Macomber, R. Pagenstecher, H. C. Phipps, L. P. Reed, O. M. Reid, Owen Shepherd, A. H. Wiggin, W. C. Baylies, F. D. Comerford, G. K. Simonds, Philip Stockton, and D. G. Wing.

Dividend Record—
Preferred—7% per annum, paid quarterly, Jan., Apr., July and Oct. 15, since July, 1925.

Preferred—6% per annum, payable quarterly. 6% was paid from July, 1898 to Jan. 1908; 1% April and July, 1908; 2% per annum from Oct., 1908 to July 1916; 1% Oct., 1916; 6% per annum from Jan., 1917. Accumulated dividends of 33½% paid June, 1917, as follows: 14% in preferred stock, 12% in common stock, and 7½% in cash; stockholders who did not accept this plan of payment received cash payment of 33½% May, 1925.

Common—Initial quarterly dividend of 50c. per share on no-par value shares paid Aug. 1926; increased to 60c. per quarter Aug. 1927, and paid since. On old shares of $100 par value: 1% paid in 1898; 2% in 1899; none thereafter.

Market Record—

	*1929 H	*1929 L	1928 H	1928 L	1927 H	1927 L
Com. ..	77¼	57½	86⅜	50	81½	39½
Pref. ..	94½	88½	108	98⅝	112½	96½

* To Sept. 12.

CONSOLIDATED INCOME & SURPLUS ACCOUNT, YEARS ENDED DEC. 31

	1928 $	1927 $	1926 $	1925 $	1924 $	1923 $
Total revenue	17,604,276	15,529,859	9,834,543	8,212,383	7,815,505	8,074,577
Less: Depreciation	6,188,929	4,552,734	3,756,278	3,404,519	3,176,208	3,144,738
Bond interest	5,567,727	4,462,355	2,802,982	2,195,969	938,640	962,799
Res. for taxes	403,000	377,000	......	61,594	*1,168,000	157,000
Amort. of disct.	342,852	379,866	......	......	......	......
Net profits	5,101,767	5,757,904	3,275,283	2,550,301	2,532,657	3,809,540
Less appropriations—						
Pref. dividends	6,658,178	3,728,253	2,198,471	1,979,020	1,500,000	1,500,000
Common dividends........	2,399,993	1,958,658	750,000	......	......	......
Hydro-El. Corp. Div.....	750,000	21,404	......	......	......	......
Surplus for year..........	†4,706,404	49,588	326,812	571,281	1,032,657	2,309,540
Add previous surplus	22,648,543	22,258,080	21,857,218	18,144,986	17,112,330	14,802,790
Paid in surplus...........	242,506	340,875	74,050	2,140,950	......	......
Deduct. contin. res.	......	......	......	1,000,000	......	......
Balance carried forward...	18,184,645	22,648,543	22,258,080	21,857,217	18,144,987	17,112,330

† Deficit. x Inventory adjustment.

Can. Inter. Paper

(Controlled by International Paper Co.)

Capitalization—	Authorized	Outstanding
Common .... (Par value $100).	$10,500,000	$10,370,500

All owned by International Co. except directors' qualifying shares.

CANADIAN INTERNATIONAL PAPER
(Controlled by Canadian International Paper Limited)

Capitalization—	Authorized
100,000 shs. of $100 p. v.	$10,000,000
Funded Debt—	
1st mtge., 6% serial bonds	25,000,000
6% gold debentures	‡15,000,000
Divisional mtge. obligations ...	1,194,300
Purchase mtge. oblig.	113,000

‡ All to be acquired by International Paper Co.

Officers and Directors—
Officers—A. R. Graustein, pres.; J. B. White, Allen Curtis, vice-pres.; Owen Shepherd, treas., New York; E. E. Adams, Roy Campbell, asst. sec.'s.
Directors—Raoul Dandurand, V. M. Drury, George H. Montgomery, J. W. McConnell, Donat Raymond, F. N. Southam, Smeaton White and Brig.-Gen. J. B. White, all of Montreal; Gordon C. Edwards, Ottawa; J. H. Fortier and J. M. McCarthy, Quebec; A. R. Graustein, Neil C. Head, A. H. Wiggin and J. S. Phipps, New York; John R. Macomber, Boston; T. A. Russell, E. R. Wood, H. P. Robinson, J. F. Rollins, G. G. Gale.

Earnings—

	1928 $	1927 $	1926 $
Gross sales ..	34,802,562	29,836,625	24,280,223
Net earn. before int. & depr.	6,040,395	7,241,589	6,701,859
Depreciation .	1,626,700	1,544,001	1,258,000
Bal. after deprec.	4,413,695	5,697,588	5,443,859

Can. Hydro-Electric

Capitalization—	Authorized	Outstanding
6% cum. 1st pfd. (Par $100).	$37,500,000	$12,500,000
6% non-cum. 2nd pfd. .... (Par $100).	25,000,000	25,000,000
Common shares (N.p.v.)	1,000,000	1,000,000

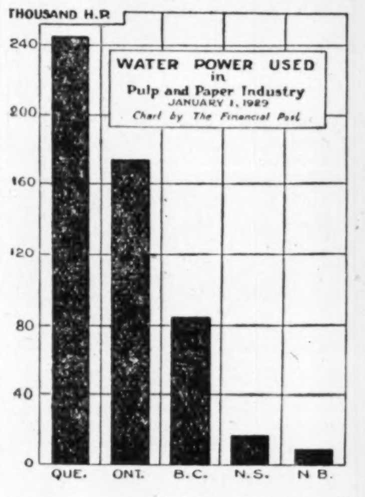
Both 2nd preferred and common are held by International Hydro-Electric System which is a direct subsidiary of International Paper and Power Co.

Funded Debt—
None.

Dividend Record—
First preferred, 6% per annum, payable March, June, Sept. and Dec. 1.

Officers and Directors—
Officers—A. R. Graustein, pres.; G. G. Gale, vice-pres.; Owen Shepherd, treas.; J. R. Birks, asst.-treas.; G. S. McCarthy, asst.-sec.; Roy Campbell, asst.-sec.
Directors—J. R. Birks, V. M. Drury, G. G. Gale, A. R. Graustein, J. L. Moore, Brig.-Gen. J. B. White, A. F. White.

Water Powers Valuable



One of the reasons for the expansive growth of the pulp and paper industry has been the abundant and cheap hydro electric supplies which Canada has to offer.

Gatineau Power

Capitalization—	Authorized	Outstanding
Common .... (No par value).	500,000 shs.	500,000 shs.
Preferred 6% .... (Par $100).	$25,000,000	$25,000,000

All issued stock of both classes, except directors' qualifying shares, owned by Can. Hydro-Electric Corp.

Funded Debt—
1st mortgage, 5%, due 1956, authorized, $250,000,000; outstanding, $52,043,500.
Sinking fund debentures, 6%, due 1941, authorized, $12,500,000; outstanding, $12,001,000.
6% debs. "B," due 1941, $7,500,000.

International (Nfld)

Make Move to Extend Operations on Island

Operations of the Cornerbrook properties of International Power and Paper Company at Newfoundland Limited, have been carried on on a satisfactory scale over the past year. This company, which is controlled by International Paper Company and in turn by International Power and Paper Company, was formed in 1927 to take over Anglo-Newfoundland Power and Paper Company, which had been organized by private and government interests.

The Cornerbrook properties include a four machine newsprint mill with a daily capacity exceeding 450 tons. The mill is situated on tidewater, open eight months of the year, and is said to be one of the lowest cost producers in North America.

In addition the company controls the townsite and other incidental properties necessary for the successful establishment of a pulp and paper industry.

Big Hydro Plant

International Power and Paper of Newfoundland owns a hydro-electric plant with the capacity of 98,000 horsepower. Through the installation of two additional units this total can be brought up to 126,000 horsepower. The excess development of power will permit the installation of additional paper machines without further substantial expenditure for power.

Timber lands owned by this company consist of 1,544 square miles of freehold and 3,659 square miles held under Crown licenses, having an estimated stand of over 8,000,000 cords of pulpwood. The company lately has acquired additional timber lands in Newfoundland to supplement the pulpwood supply of the Cornerbrook mill.

May Extend Operations

Negotiations have been started by International Paper with the Newfoundland Government with a view to enlarging the capacity of the Cornerbrook mill. This matter has not yet reached a definite stage but it is likely that an announcement will be made toward the end of the year or early next year.

International Power and Paper of Newfoundland also operates steamships, which are engaged in carrying newsprint to the United States and in addition eight steamers are engaged in carrying pulpwood to the United States. In the past, the output of the three winter months has been stored, but now steps are being taken which will eliminate this handicap.

INTERNATIONAL POWER & PAPER OF NEWFOUNDLAND

Capitalization—		Outstanding	Par
5% Pref. cum. after 1932	£2,080,000	$10,122,320	£1
Common	£500,000	2,433,250	£1

Preference—£2,000,000 issued to holders of obligations of predecessor company in part payment.
Common—All held by International Paper Co.

Funded Debt—
5% first mortgage bonds, due 1968; outstanding $4,866,000.
4½% mortgage debenture stock, series "A," due 1973; issued, $9,733,000; guaranteed by the British Treasury.
5½% mortgage debenture stock, series "B," due 1970; issued, $9,733,000; guaranteed by the Newfoundland Government.
Purchase money mortgages on timberlands, $285,000.

Officers—A. R. Graustein, pres.; N. C. Head, 1st vice-pres.; E. A. Charlton, vice-pres. and gen. mgr.; G. A. Brownell and W. S. Housman, vice-pres.; Owen Shepherd, treas.; T. S. Howard and E. E. Adams, asst.-sec.
Directors—A. R. Graustein, N. C. Head, J. F. Rollins, J. H. Hinman, G. A. Brownell, W. S. Housman, E. A. Charlton, New York; Sir G. S. Barnes, J. F. Taylor, London, Eng.; E. J. Godden, Newfoundland.

Property—
Timber lands consist of 1,544 sq. mi. freehold and 3,659 sq. mi., held under Crown licenses, having an estimated stand of over 8,000,000 cords of pulpwood.

Continental Paper

Largest Paper Specialty Producer — Plans Kraft Mill

There is a limited investment interest in Continental Paper Products Limited, controlled by Continental Paper and Bag Corporation, and in turn a subsidiary of International Paper Company. This company owns and operates one of the largest plants in Canada for the manufacture of paper bags, paper boxes, drinking cups, merchandising envelopes and other paper products. The plant, which is located at Ottawa, has a capacity in excess of 10,000,000 paper bags, sacks and envelopes weekly. It has a complete paper box and carton department, with printing plant, and also cup-making machinery.

Continental Paper Products owns the entire capital stock, of Continental Wood Products Company, manufacturers of sand lumber, lathe and prepared woods and pulpwood. This company owns and operates at Elsas, Ont., about 200 miles West of Sudbury, a modern plant for the manufacture of lumber, laths with an annual capacity of 25,000,000 feet; also wood preparing plant with an annual capacity of 30,000 cords. Continental Wood Products owns 71,695 acres of free-hold timber land limits centering around Chapleau, Ont., estimated to contain 500,000 cords of spruce and other pulpwood. In addition it leases from the Ontario Government timber rights of 775,040 acres of land in the Sudbury and Algoma districts.

It is planned to construct a kraft pulp mill, having a daily capacity of 100 tons.

The last financial sheet of this company covered the year ended December 31, 1925. Later figures are not available. At that time the value of property owned by the company was $1,875,000.

CONTINENTAL PAPER PRODUCTS

Capitalization—	Authorized	Outstanding
Common	$1,250,000	$750,000
Pref. 7% cum. ..	750,000	725,000

All owned by Continental Paper & Bag Corporation.

Funded Debt—
6½% 1st and collateral trust convertible Series "A," due 1943, $591,500.

International Fibre

International Power and Paper Company through its Canadian subsidiary, controls International Fibreboard Limited, which in June of 1928, completed a plant adjacent to the Gatineau Mill of Canadian International Paper Company, designed to handle 50 tons of fibreboard daily. The mill is the largest of its kind in the British Empire and its products are sold under the trade name of "Ten-Test."

INTERNATIONAL FIBRE BOARD

Capitalization—	Authorized
1st pref., 7%	$1,500,000
2nd pref., $6 (n.p.v.)	65,000 shs.
Common (n.p.v.)	10,000 shs.

Parent company owns $1,200,000 of first preferred, 30,000 shares of 2nd preferred and all common stock.

Property—
Plant at Midland, Ont., capacity 25 tons a day of insulating building board.

Officers—H. J. Niser, pres. and gen. mgr.; J. B. White, and H. A. Sheesley, vice-presidents; Owen Shepherd, treas.; E. E. Adams, asst.-sec.

N. B. International

Building Operations Nearing Completion at Dalhousie

New Brunswick International Paper Company commenced construction early in September, 1928, on a newsprint mill at Dalhousie, at the mouth of the Restigouche River, in the northern part of New Brunswick, where the company has extensive timber limits. The plant is being designed for a daily capacity of 450 tons and will have an initial installation of two machines of the combined daily capacity of 245 tons of newsprint paper.

There will be complete groundwood and sulphite departments at the mill so that wood will be carried through all the various manufacturing processes, in the making of newsprint paper. As the mill will be located on tidewater, ocean going vessels can go directly to the mill's docks and raw material can be sent in and paper shipped out about eight months in the year by water.

Power to operate the mill will be supplied by the Grand Falls hydro-electric development, a high tension transmission line about 110 miles long connecting the power house with the mill.

Big Area to Draw On

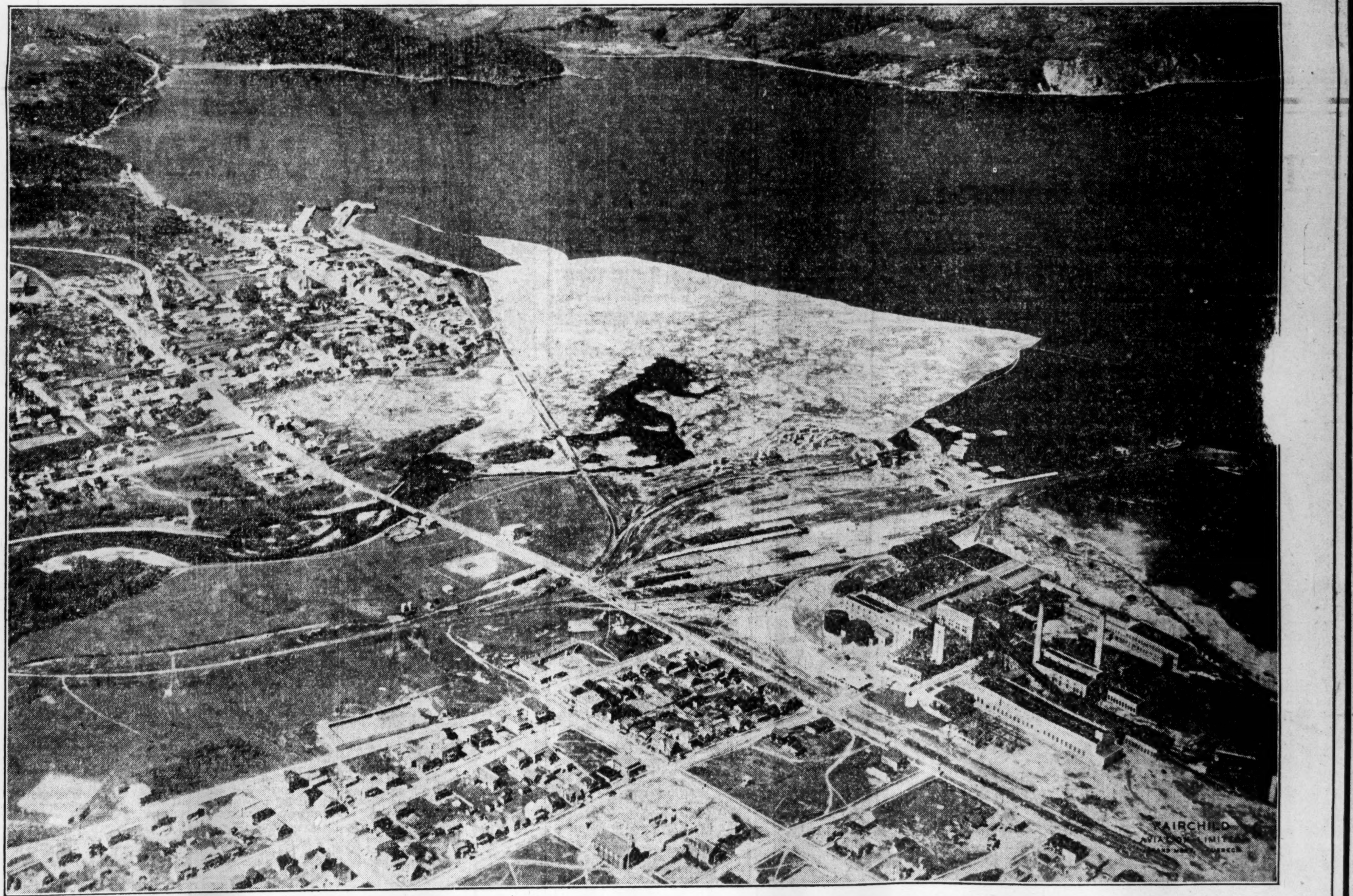
As a reserve from which to draw the pulpwood required by the mill, the company has assembled 2,362 square miles of timber land, an area slightly in excess of that of Prince Edward Island.

Work on this mill is well up to schedule and it is expected that operations will commence some time late this year.

It is also understood that New Brunswick International Paper Company will undertake the construction of a pulp mill at Chatham, N.B. Definite plans have not yet been announced for this enterprise, but it is expected that work will be started inside of the next six weeks or two months.

Pulp Supply Assured

About 76,045 square miles of forest land in Canada has been set aside in reserve or parks or otherwise permanently dedicated to forest production.



The aerial photograph gives a graphic idea of the location and operating conditions at the mills of the corporation. In the background lies Ha! Ha! Bay, close to the head of navigation on the Saguenay River. Into the bay flows the Rivière à Mars, the source of a great proportion of the pulpwood requirements of the mill. The log boom can be seen at the mouth of the tributary river. From the boom the wood goes to the stacker and the wood pile located just to the right of the mill. It is not shown on the picture. Immediately behind the plant lies the town of Port Alfred, where are housed the operators. The corporation is steadily improving its townsite. Across the Rivière à Mars is Bagotville, one of the original townsites in the Saguenay area. Betweeen the two towns can be discerned the high tension line connecting the mill with the Duke-Price Power plant and also the Roberval and Saguenay Railway which links the plant by rail to Montreal and Quebec. An ocean-going vessel is docked at the deep water docks. The corporation thus obtains the benefits of low cost transportation on its raw materials and on its finished products.

The Port Alfred Pulp and Paper Corporation

Head Office: Canada Cement Building, Montreal

Howard Smith Paper

Company Installs Additional Fine Paper Machine to Meet Needs—Acquire Control of Canada Paper —Further Diversifying Production

With better business prevailing throughout the country and the demand for fine papers on the upgrade, Howard Smith Paper Mills Limited, have been able to operate their different plants at or near capacity. Accordingly, operating costs have been lowered, and the earning power of the company enhanced.

Toward the end of last year the company installed a new 154 inch machine which increased its paper capacity by 8,400 tons of fine paper per annum. This additional output has been readily marketed, the benefits of which should be noticeable in the next financial statement.

The company produces a wide range of high grade papers of all kinds which are sold largely in Canada, although an export business is conducted with Great Britain, South Africa, New Zealand, Australia, South America and other countries. Little or no business is done with the United States, owing to the high tariff.

Control Several Plants

The business of Howard Smith Paper Mills Limited goes back to 1899. Since then a number of changes have taken place, the last being in 1928, when the Holt-Gundy interests took over control.

The company controls plants at Cornwall, Ont., Beauharnois, Crabtree Mills and Windsor Mills, P. Q. The Cornwall plant is situated on the St. Lawrence River and has the additional advantage of water transportation. Its equipment includes four paper machines of total capacity of 24,000 tons per annum, bleached sulphite plants and electrolytic bleached plants.

The Beauharnois plant operates a two machine mill and manufactures the higher grades of writing, bond and ledger papers, its total rated capacity being 4,500 tons per annum.

The Crabtree mill plant operates a two-machine paper mill, and a groundwood pulp mill, with a capacity sufficient for its paper requirements at full rate capacity, which is 10,000 tons per annum. At Gaspe, the company owns a wood-handling plant situated near to its timber limits, which has direct connection by water with the Cornwall mill.

Buy Canada Paper

About the middle of this year, Howard Smith Paper Mills secured control of all the outstanding common stock of Canada Paper Company, in exchange for which an equal number of shares was handed over to Canada Power and Paper Corporation. Details of this transaction, together with a description of the company, appear elsewhere.

20,000 tons bleached sulphite.
15,000 tons bleached soda pulp.
20,000 tons kraft pulp, bleached and unbleached.

Well Diversified Output

The annual capacity of the combined plants is:

60,000 tons of bond and ledger papers, bristol boards, offset papers, book, litho, etc., kraft, wrapping, bag and colored specialties.

Also operates bag factory at Windsor Mills, P.Q.

Furthermore, Howard Smith Paper Mills has a controlling interest in the Canadian Cellulose Company, the plant of which forms an integral part of the Cornwall unit.

Water powers owned by the company have a developed capacity of 2,500 h.p., capable of being increased to 6,900 h.p. Towards the end of May, the company completed the first unit of its new boiler plant at Cornwall. This will only be used as a standby plant until the company's complete power programme has been rounded out. Additional electric energy is purchased under contract with the Hydro Electric Power Commission of Ontario, the Shawinigan Water and Power Company and the Beauharnois Electric Company.

Howard Smith Paper Mills pulpwood areas are estimated to contain over 3,000,000 cords of pulpwood. In September, 1928, the company purchased a further timber limit from the St. Regis Paper Company at Ostelanea, P. Q., estimated to contain 80,000 cords of wood suited to the company's needs.

The chemical pulp mill at Cornwall consumes poplar wood, a raw material less costly than spruce. In this connection the company has acquired poplar limits from the Ontario government. With a view to conserving its own limits, Howard Smith has followed the policy of purchasing annually a substantial proportion of its pulpwood requirements.

Earnings of Howard Smith available for bond interest and depreciation went over the $1,000,000 mark in 1920. The boom year was followed by a slump in which the profits dropped off to just over the $600,000 mark. Since then they have been increasing every year except in 1924; the current year's operations should witness net profits larger than those experienced during the height of the post war boom.

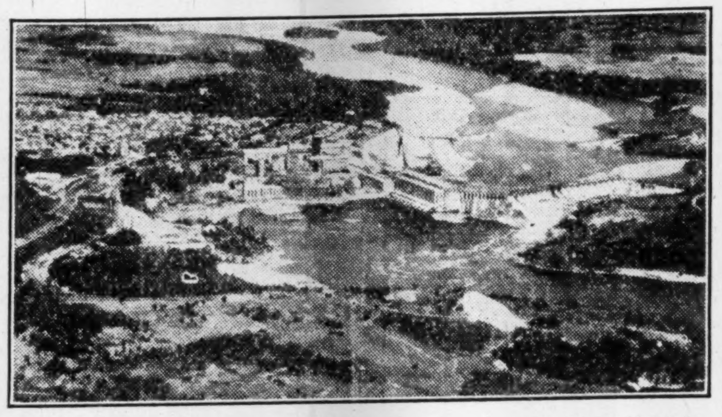
Howard Smith common shares are in the business man's long hold class. Despite the not-too-attractive record in recent years of the common shares of the predecessor company, the present common stock is attractive if viewed as a long hold only due to the expectation that Canada has some news of business development ahead of her.

INCOME AND SURPLUS ACCOUNT, YEARS ENDING DEC. 31

	1928‡	1927	1926	1925	1924	1923
	$	$	$	$	$	$
Earnings	995,163	935,525	847,413	742,762	717,927	767,377
Add other income	12,474	10,871	7,936	9,675	9,648	5,430
Total	1,007,637	846,396	855,349	752,437	727,575	772,807
Less: Bond interest	275,660	312,051	345,677	349,298	329,532	269,960
Depreciation	150,000	150,000	100,000	100,000	100,000	60,288
General interest	......	20,350	......	......	......	......
Net profits	581,977	463,995	409,672	303,139	298,043	442,559
Less appropriations:						
Preferred dividends	157,500	136,708	127,976	127,976	120,000	120,000
Common dividends	......	......	......	......	92,342	221,622
Contingent funds	......	......	......	......	......	38,823
Sink. fund reserve	......	......	......	......	......	78,180
Surplus for year	424,477	327,287	281,696	175,163	85,701	†16,066
Add previous surplus	......	*136,859	*5,163	......	......	16,066
Balance carried forward	424,477	464,145	286,859	175,163	85,701	......

† Deficit. *$150,000 of 1926 surplus, $170,000 of 1925 surplus transferred to depreciation.
‡ Nine months period.

Power and Paper — Paper and Power



Without the paper industry, the water power developments of Canada would not be nearly so large. At the same time the paper industry depends upon hydro-electricity for cheap power. This view shows the Canada Power and Paper's plant at Grand'Mère, together with power development.

Canada Paper

Howard Smith Take Over Control — Operations Satisfactory

Control of Canada Paper Company, formerly held by the St. Maurice Valley Corporation and in turn by the Canada Power and Paper Corporation, has passed into the hands of Howard Smith Paper Mills Limited. The deal was finally consummated in July, 1929, being retroactive to June, 1929, and consisted of the issuance of 20,000 common shares of Howard Smith Paper Mills Limited, to Canada Power and Paper Corporation in exchange for the 20,000 issued and outstanding shares of Canada Paper Company.

Since its acquisition by Howard Smith Company, the newsprint mill at Windsor Mill has been closed down entirely and production at the other plant at Windsor Mills and at St. Francis concentrated on the manufacture of kraft paper, book, and magazine paper and colored specialties. Four machines are in operation, two of which are turning out kraft which is sold to the company's Toronto unit, Kilgour Brothers, Limited, which is engaged in the manufacture of paper boxes and specialties.

Extending Plant

The mills have a capacity of 7,500 tons of various papers annually, but it is estimated that extensions at present underway will double this figure. The specialty plant at Toronto produces 29,000,000 paper boxes, 300,000,000 paper bags and 60,000,000 shipping tags a year.

The company owns 35,000 acres of freehold timber land and controls by lease another 200 square miles. It produces 6,000 hydraulic horsepower from the St. Francis River. About 40 per cent of the company's output is sold domestically and the remainder is sold abroad.

Investment interest in Canada Paper Company is confined to the 7 per cent preferred shares and the first mortgage bonds. As already mentioned, Howard Smith Paper Mills control all the outstanding common stock.

Canada Paper Company has not issued a complete financial statement for some years. From 1926 to 1928, the company's statement of earnings had been consolidated with that of the St. Maurice Valley Corporation. For the five years and nine months ending September 30, 1925, after payment of depreciation, depletion and all operating expenses, there was available annually for bond interest the sum of $411,666.

Since the company came under the control of Howard Smith Paper Mills, it is presumed that that company will follow the same procedure as Canada Power and Paper Corporation, namely, will consolidate the earnings with its own financial statement.

Capitalization—	Authorized	Outstanding
*Common (n.p.v.)	20,000 shs.	20,000 shs.
Pref. 7% cum.	$3,000,000	$1,250,000

*All owned by Howard Smith Paper Mills.

Funded Debt—
6% first mortgage sinking fund bonds, series "A," due 1945; outstanding $1,917,000.

Dividend Record—
Preferred 7% per annum, payable quarterly, Mar., June, Sept. and Dec., First dividend paid March 1, 1926.

Officers and Directors—
Officers—C. Howard Smith, pres.; H. Crabtree, vice-pres. and gen. mgr.; E. A. Robinson, asst. gen. mgr.; K. G. Pendock, sec.-treas.; M. G. Peterkin, asst. sec.-treas.
Directors—C. Howard Smith, H. Crabtree, F. A. Sabbaton, A. Cross, A. D. Emory, E. A. Robinson, E. Howard Smith, Jr., F. Campbell, H. B. Donovan.

Production—
Annual capacity is 13,500 tons newsprint; 7,500 tons wrapping, book and writing papers, and white and colored specialties; 29,000,000 paper boxes; 300,000,000 paper bags, and 60,000,000 shipping tags.

Canadian Cellulose

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	10,000 shs.	5,000 shs.
Preferred....... (Par $100)).	$1,000,000	$300,000

Controlling interest is held by the Howard Smith Paper Mills.

Funded Debt—
7% first mortgage bonds, outstanding $500,000.

Officers—
Officers—C. Howard Smith, pres., H. Crabtree, vice-pres.; E. Howard Smith, Jr., man.-dir.; K. G. Pendock, sec.-treas.; M. G. Peterkin, asst. sec.-treas.

Provincial Paper

Due to General Business Trend, Company Has Been Enjoying Expansion

Provincial Paper, Ltd., is one of the two largest manufacturers and distributors in Canada of high grade book, coated and writing paper. Fine paper manufacturers are always particularly sensitive to the business trend, and, in consequence, this company has been enjoying an expansion both in profits and earnings.

The company operates five plants—two located at Georgetown, Ont., and one each at Thorold, Mille Roches, and Port Arthur. In addition, it owns the entire stock of Provincial Paper Sales, which operates sales agencies in Manitoba, Saskatchewan and Alberta. Its timber limits, located near the Port Arthur plant, are sufficient to supply all the requirements at the present rate of consumption for more than forty years.

When originally established in 1909, the company operated as Provincial Paper Mills Company, a holding company for the St. Lawrence Paper Mills and the Barber Paper and Coating Mills, but, in 1916, it took over these two companies, both as regards properties and assets, and became the operating company. Reincorporated in 1920 as the Provincial Paper Mills, the Port Arthur Pulp and Paper Company was absorbed, and six years later the company acquired the John Martin Paper Company, of Winnipeg, a western wholesale house of fifteen years standing. Provincial Paper was incorporated in 1927

The capital stock of the company in 1916 was $2,481,300 common and $1,700,000 preferred and remained at these figures until the recapitalization in 1920, when three shares of new common stock were given in exchange for two shares of old common, and the preferred were exchanged share for share, making the new capital $3,500,000 common and $1,700,000 preferred.

Dominion Securities Corporation, in March, 1927, made an offer to common stockholders of $135 for each $100 par value share held and the preferred was called at 107. Of the present capital only the $3,500,000 preferred was publicly offered.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	100,000 shs.	100,000 shs.
7% cum. pref. ($100 par)	$3,500,000	$3,500,000

Funded Debt—
5½% first mortgage bonds, due 1947, issued $5,300,000.

Dividend Record—
Preferred—7% per annum, cumulative from May 1, 1927. Initial payment July 1, 1927, and quarterly, Jan., Apr., July and Oct. 1 since.
Common—None paid.

Officers and Directors—
Officers—S. F. Duncan, pres.; T. A. Weldon, vice-pres.; W. S. Barber, sec.-treas.
Directors—A. Fasken, T. A. Weldon, R. S. Waldie, S. Duncan, A. F. White, E. R. Wood, A. L. Fullerton.

Production—
Daily output 190 tons of book and writing papers.

INCOME AND SURPLUS ACCOUNT, YEARS ENDING DECEMBER 31

	1928	†1927	1926	1925	1924	1923
	$	$	$	$	$	$
Manufacturing profits	1,138,331	770,923	1,218,106	1,045,493	878,013	493,333
Other income	1,899	3,200	6,375	14,811	8,756	9,990
Total	1,140,230	774,123	1,224,481	1,060,304	886,769	503,323
Less: Res. for deprec. and doubtful accounts	460,000	310,000	302,400	300,100	288,026	230,000
Res. for taxes	35,000	25,000	60,000	70,000	50,000	20,000
Bond disc.	......	......	50,000	20,000	13,023	......
Bond interest	286,382	202,862	81,590	83,905	97,964	92,639
Other deductions	......	......	......	......	59,986	......
Net profits	358,848	236,261	730,491	586,299	377,769	160,684
Less Appropriations:						
Pref. dividends	245,000	163,333	119,000	119,000	119,000	119,000
Common dividends	......	......	245,000	245,000	210,000	210,000
Surplus for year	113,848	72,928	366,491	222,299	48,769	x168,316
Add prev. surplus	72,927	......	936,220	713,921	665,152	833,468
Balance carried forward	186,775	72,928	1,302,711	936,220	713,921	665,152

x Deficit.
† New company, 8 months ended Dec. 31.

Dividend Record and Earnings on Capital Stock—

	1928	†1927	1926	1925	1924	1923
Preferred:						
Earned	$10.25	$6.75	$45.91	$35.66	$26.52	$9.43
Paid	7.00	4.66	7.00	7.00	7.00	7.00
Common:						
Earned	1.14	.73	18.90	13.92	9.48	1.18
Paid	...	...	6.00+1.00	6.00+1.00	6.00	6.00

Sydney Roofing

Growing to Meet Need of Pacific Coast Buyers

Sydney Roofing and Paper Company, has under consideration plans for the erection of additions to its plant at Victoria, B. C. The company operates two units, the pulp and paper mills being located on the industrial reserves near Victoria, and the roofing plant on Granville Island. Production amounts to 15 to 18 tons of paper daily and 12 to 15 tons of felt.

There is comparatively little investment interest in this organization, its activities being largely confined to the Pacific coast, where it has built up a good reputation for its products. In view of the growing industrial development of that area, it is possible that the company may develop into a large producer at some future date.

Capitalization—	Issued
Preferred 7%	$350,000
Common, Par $10	10,000 shs.

Funded Debt—None.

Pulpwood Needs Greater

The quantity of pulpwood used in Canadian mills increased by 9.2 per cent in 1928. There are no importations of pulpwood into Canada.

CANADIAN WESTINGHOUSE

Looking Forward...

Looking forward but not backwards, has been the means by which the Canadian Westinghouse Company has attained leadership in the manufacture of everything electrical.

By careful designs of experienced engineers, a rigid adherence to specifications in manufacturing, and adequate testing, a product is placed before the consumer which has built-in reliability and an inherent capacity to take the hard knocks inflicted by the rush of modern industry.

Canadian Westinghouse Company, Limited
Head Office:
Hamilton, Ontario
Branch Offices and Repair Shops in all principal cities.

Westinghouse

Cosmos Imperial Mills
LIMITED
H ad Office:
HAMILTON, ONTARIO

Sole Manufacturers of "YARMOUTH" and "IMPERIAL"
PAPER MAKERS COTTON DRYER FELTS
"THE STANDARD OF EXCELLENCE"

Manufactured in Canada in all weights and widths. A most complete range of Dryer Felts furnished in Standard Single Weave and Multiple constructions.

Also Ch-mically Treated (patented) felts designed to meet special mill conditions.

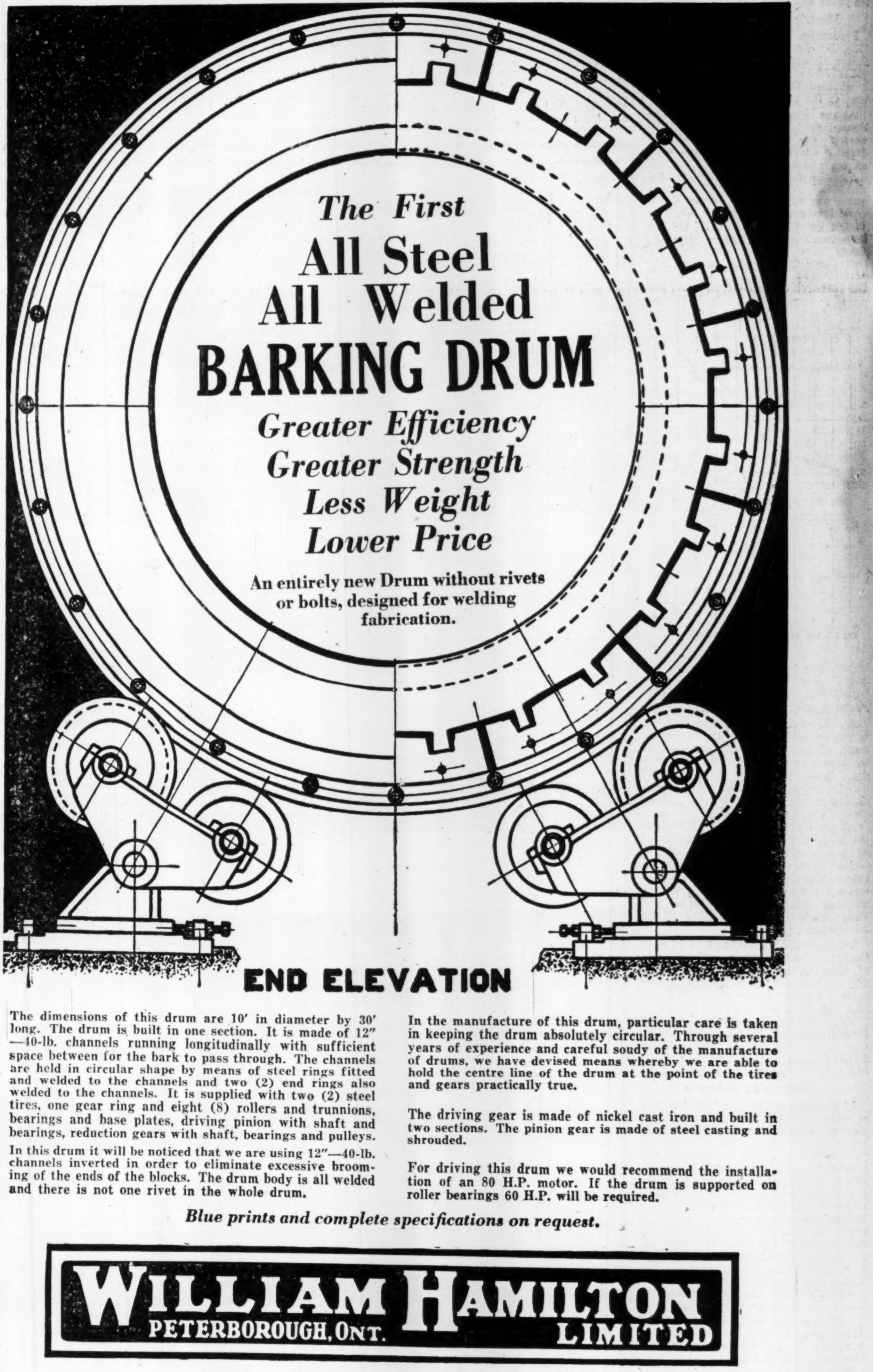
Mills located at Yarmouth, Nova Scotia, and Hamilton, Ont., insuring prompt deliveries to all paper mill points.

SELLING AGENT:
J. Spencer Turner Company Limited

88 Mosley Street,
Manchester, England

Sherman Avenue North,
Hamilton, Ont.

ALL STEEL--ALL WELDED



The First
All Steel
All Welded
BARKING DRUM
Greater Efficiency
Greater Strength
Less Weight
Lower Price
An entirely new Drum without rivets or bolts, designed for welding fabrication.

END ELEVATION

The dimensions of this drum are 10′ in diameter by 30′ long. The drum is built in one section. It is made of 12″—40-lb. channels running longitudinally with sufficient space between for the bark to pass through. The channels are held in circular shape by means of steel rings fitted and welded to the channels and two (2) end rings also welded to the channels. It is supplied with two (2) steel tires, one gear ring and eight (8) rollers and trunnions, bearings and base plates, driving pinion with shaft and bearings, reduction gears with shaft, bearings and pulleys.

In this drum it will be noticed that we are using 12″—40-lb. channels inverted in order to eliminate excessive brooming of the ends of the blocks. The drum body is all welded and there is not one rivet in the whole drum.

In the manufacture of this drum, particular care is taken in keeping the drum absolutely circular. Through several years of experience and careful soudy of the manufacture of drums, we have devised means whereby we are able to hold the centre line of the drum at the point of the tires and gears practically true.

The driving gear is made of nickel cast iron and built in two sections. The pinion gear is made of steel casting and shrouded.

For driving this drum we would recommend the installation of an 80 H.P. motor. If the drum is supported on roller bearings 60 H.P. will be required.

Blue prints and complete specifications on request.

WILLIAM HAMILTON
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Branches: MONTREAL, Canada Cement Building
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Pulp and Paper Groups Centralize Endeavors to Build Up Industry

Canadian Pulp and Paper Association, Forest Products Laboratories and McGill University Cellulose Department Provided With Adequate Facilities

Establishment of the Pulp and Paper Research Institute of Canada represents an important step forward in the educational and research side of the industry. The Institute is the tangible outcome of several years of co-operative efforts carried on between the Dominion Government, as represented by the Pulp and Paper Division of the Forest Products Laboratories, and the pulp and paper industry, as represented by the Canadian Pulp and Paper Association. Associated in the Institute and finding a home therein is the Department of Industrial and Cellulose Chemistry of McGill University.

The Institute and its equipment represent a capital outlay of well over half a million dollars, without taking into account the value of the land, which is owned by the University and leased to the Association. The building and a large part of the equipment was financed through an issue of bonds and a considerable cash contribution by the association. Supplementing this, the government has provided part of the machinery, and equipment for the pulp and paper division. Generous donations have also been made by manufacturers of machinery.

The pulp and paper industry in Canada has undergone a remarkable development in the past fifteen years, and is looking forward with confidence to still further developments in the years to come.

Progress Depends on Research

Progress, however, it is acknowledged, must depend to an ever-increasing extent upon scientific research. This fact has been constantly in the minds of those engaged in the industry.

It was a recognition of this principle that led to the co-operative effort resulting in the establishment of the Institute.

In 1920 the technical section of the Association reported its dissatisfaction with the rate of progress being made in the investigation of fundamental problems connected with the industry and a committee on technical research was appointed to consider the establishment of a research department. Following an intensive study of the situation, this committee reported that an understanding had been reached with the Dominion Government whereby a greater degree of co-operation in the Association and the department might be secured.

Meantime a third interest came into being as a result of the establishment of a Chair of Cellulose Chemistry at McGill University, through the beneficence of the late Mrs. E. B. Eddy, whose husband, during his lifetime, was one of the leaders of the industry.

Interests Join Forces

As the building in which the work of the government department has been carried on was unsuitable for the proposed joint activities, and neither the Government nor the University was prepared to replace it, the research committee, in 1926, proposed the erection of a building specially designed and constructed for the purpose of accommodating the two departments, as well as to provide office accommodation for the Canadian Pulp and Paper Association.

This proposal was submitted to members of the association, who approved the general scheme and agreed to provide the required funds for the erection of the building. Plans were drawn up and approved and construction commenced in the summer of 1927.

Building Specially Designed

Constructed for the definite purpose of pulp and paper research, the building is designed to afford the optimum service and accommodation for this type of work.

The first floor of the main building is given over largely to office accommodation, the executive offices of the Association, and those of the division of pulp and paper, forest products and laboratories of Canada, being situated there. On this floor also are the library and lecture theatre. The second floor is largely devoted to accommodation for the Department of Industrial and Cellulose Chemistry of the University.

The third floor of the building represents very similar accommodation to that of the second, save that the large laboratories are occupied jointly by the Department of Industrial and Cellulose Chemistry and the Pulp and Paper Division.

The joint laboratories include the physical chemistry laboratory; the colloid laboratory; the photographic room; the nitration room, particularly adapted for work on the nitration and cellulose and similar compounds; and a controlled temperature and humidity room.

Rooms for Research

The chemical research staff of the Division of Pulp and Paper are accommodated in a suite of three units, research laboratories on this floor, with an adjoining larger laboratory for special apparatus installation and physico-chemical work.

Under the co-operative scheme of research the task assigned to the University of McGill is a two-fold one. In the first place it is expected to serve as a training ground for research chemists, chemical engineers destined for important industrial positions; and in the second, to it is allocated the direction of research and teaching in the field of cellulose chemistry. With the advice and assistance of the other co-operative agencies, an extensive programme of scientific research was inaugurated on the manufacture of sulphite pulp, and regarding which considerable progress has already been made.

Project Receives Support

That it has been found possible to equip the scientific laboratories fairly completely with the expensive apparatus and equipment necessary for modern scientific research is due to the financial support accorded the University by the industry, while for the supply of adequately trained research men, special recognition is due to the Canadian National Research Council and the Association. The Abitibi Power and Paper Corporation has shown a commendable spirit in providing a research fellowship, and it is anticipated that other companies may be induced to follow its example.

The second unit of the Institute, the Forest Products Laboratories, was established in 1913 as an expansion of the activities of the forestry branch of the Dominion Government. This division has its own laboratories in the Institute and also shares in the use of those provided for joint accommodation.

Operate Own Mill

One of the most interesting features of the research institute is the experimental paper mill, which occupies its own structure joining the main building. The whole mill building is 125 feet long by 60 feet wide and is, for the most part, clear of partitions.

Since the purpose of the mill is to provide means for making investigations on a scale sufficiently large as to permit a comparison with processes used in the industry, the equipment is all of semi-commercial size. Many of the machines are actual models of commercial units; many others have been specially built to provide the essential features of their commercial big brothers, while at the same time having their capacity reduced enough to correspond with the rest of the equipment.

Practically all the operations in the present day pulp and paper mills may be reproduced here; the wood may be chipped and cooked to make sulphite pulp, or it may be ground to produce the cheaper mechanical pulp. Whatever pulp is made can in turn be given appropriate beater treatment and finally be converted into paper on a complete Fourdrinier paper machine, about half the size of the machines which make the bulk of the banknote paper in America.

The Institute also houses control laboratories for making the various tests in connection with the semi-commercial investigations. These comprise a chemical laboratory, a dry testing laboratory, a wet testing laboratory and a dark room for color testing. In addition to these there is a control humidity room for paper testing. This is a very necessary feature for accurate testing of paper, as many of its properties are greatly affected by the humidity of the air. In this room the conditions of temperature and humidity can be controlled at will so that not only may tests be made under standard conditions, but they may also be made under conditions which correspond to some encountered in practice, such as excessively dry or excessively damp press rooms and printing plants.

Canadian Power

Only Small Part of Funds Now Invested in Paper Stocks

Canadian Power and Paper Investments' original intention had been to invest a substantial proportion of its funds in pulp and paper securities, but in view of the uncertainty in the industry and the lack of immediate propects for betterment, investments have been largely confined to the power and public utility field.

It is understood that this company now has only about 10 per cent of its total assets invested in pulp and paper securities. Among these holdings the company has a substantial interest in the Bathurst Power and Paper Company, which is reviewed elsewhere in this issue.

The company is understood to have profited by the appreciable advance in the market value of utility stocks.

At the beginning of this year a plan was approved for the redemption of the six per cent non-cumulative preferred and the creation of 100,000 5 per cent cumulative convertible preferred shares, par value $50, and an additional 150,000 shares of no par value common. The old preferred and common stock was privately held, but upon the capital reorganization the 5 per cent preferred and the 5 per cent debentures were offered to the public.

Capitalization—	Authorized	Outstanding
Common .... (No par value).	250,000 shs.	100,000 shs.
Pref. 5% cum. ... (Par $50).	$5,000,000	$2,500,000

Of the common stock 100,000 shares are held in reserve to provide for the conversion of 100,000 shares convertible preferred stock.

Funded Debt—5% debentures, Series "A," due 1958, $2,500,000.

Dividend Record—Preferred 5% per annum, payable quarterly, Feb., Mar., Aug. and Nov. 15. Initial payment made May 15, 1929.

Common—None paid.

Officers and Directors—

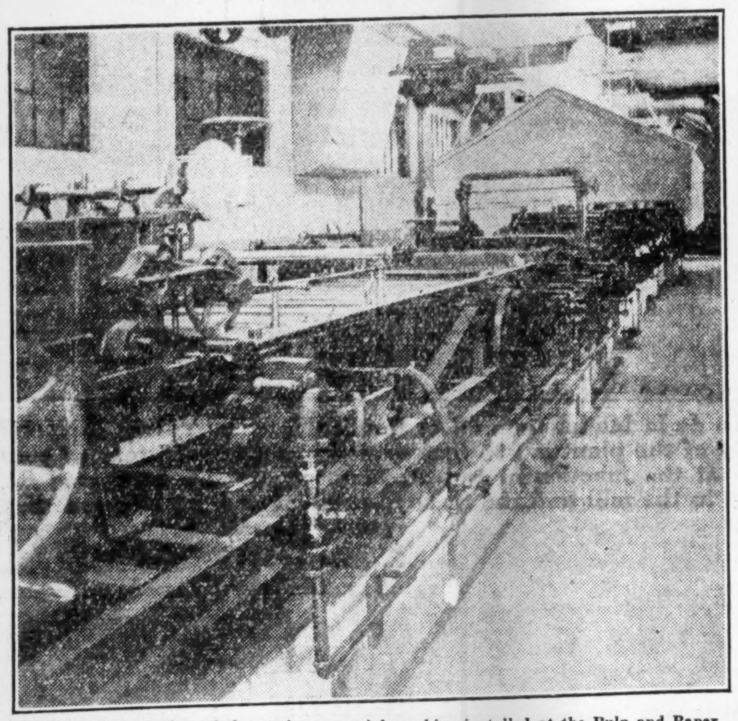
Officers—A. J. Nesbitt, pres.; P. A. Thomson, vice-pres.; L. C. Haskell, sec.; Chas. Johnstone, treas.; M. L. Cox, asst. sec.; V. J. Nixon, asst. sec.; F. D. Lamont, asst. treas.

Directors—A. J. Nesbitt, P. A. Thomson, J. S. Aird, M. A. Thomson, J. B. Woodyatt.

Income Account, Year Ended Dec. 31, 1928

Gross revenues	$488,769
Expenses	33,124
Debenture interest	101,754
Income tax reserve	25,000
Balance	$328,891

Canada's Baby Paper Making Machine



This is a close-up view of the semi-commercial machine installed at the Pulp and Paper Research Institute, Montreal. Numerous tests are carried out on this machine to determine facts necessary for the growth of the industry.

Newsprint Industry Situation

Approximate Daily Capacities of Mills

	Tons Per Day
Abitibi	1,988
Anglo-Canadian	450
Bathurst	140
Beaver	76
J. R. Booth	158
Brompton	236
Canada Power	1,200
Canadian International	1,181
Donnacona	230
E. B. Eddy	127
Ft. Frances	259
Great Lakes	265
Kenora	245
Lake St. John	229
Mersey	250
News	35
Ontario	328
Pacific	252
Port Alfred	400
Powell River	495
Price Brothers	936
St. Lawrence	460
Spruce Falls	400
Thunder Bay	225
Wayagamack	170
Daily Capacity of Mills	10,735
Newfoundland Mills	788
Mexican Mills	67
United States Mills	5,585
Capacity of North American Mills	17,175
Production in August (Approximate)	13,700
Approximate Surplus Capacity	3,475
	(Approximately 20 per cent)

Projected Increases in Tonnage

New Tonnage	Tons	Scheduled
Canadian International	500	1929-30
Mersey	125	1930
St. Lawrence	150	1930
	775	

Hinde and Dauch Paper

During Past Year Company Has Completed Programme of Expansion and Has in Use Most Modern Machinery of Kind in Canada

The Hinde and Dauch Paper Company of Canada, which manufactures fibre shipping boxes, corrugated paper products and also produces straw paper for corrugated purposes, operates three plants, located at Toronto, Trenton and Montreal. In addition, sales offices are maintained in a number of the important cities of the Dominion.

During the past year the company completed an extension to its plant in Toronto, which increased its total floor space to 330,000 square feet. With the installation of the new machinery, which since has been placed in position, the daily production of boxboard has been increased from 50 tons to 150 tons. The Trenton plant manufactures straw paper for corrugating and has a capacity of 75 tons per day. An extension has just been made to the plant in Montreal, for the manufacture of solid fibre boxes, which has doubled the floor space there in use.

The company, now that its expansion programme is completed, is said to have in use the most modern paperboard machinery in Canada. The corrugated and fibre board departments are equipped with the most up-to-date machinery for the manufacture of shipping containers. Having in view the demand that presently exists for packages adapted to modern selling and shipping conditions, the management is contemplating the installation of machinery for the manufacture of a line of cartons.

Hinde and Dauch was originally incorporated in Ontario in 1910 and the present company came into being in 1924. The straw mill was completed at Trenton in 1927. Last year the company acquired all of the assets of the Norris Company of Canada, with plants located in Toronto and Montreal. An exchange of stock accompanied the acquisition of this subsidiary. The Norris company was engaged in the manufacture of fibre boxes and corrugated paper products.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	300,000 shs.	299,933 shs.

A majority of the stock is held by the Hinde and Dauch Paper Co. of Ohio.

Funded Debt—
5½% first mortgage sinking fund bonds, series "A," due 1948; authorized $3,000,000, issued (series "A"), $1,500,000.

Officers and Directors—
Sidney Frohman, pres., Sandusky, Ohio; O. H. Moore, gen. mgr., Toronto; R. K. Ramsey, sec.; Ralph King, Toronto; Geo. Little, Xenia, Ohio; M. H. Murch, Cleveland, Ohio; T. E. Lloyd, treas.

Dividend Record—
Common—$1 per share per annum, payable quarterly, Jan., Apr., July, and Oct. 1. Initial dividend of 25c per share paid July 2, 1928.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1928	1927	1926
Net earn.*..	773,324	692,022	556,328
Less: Deprec.	134,157	86,463	86,463
Inc. tax	42,591	48,285	37,429
Bond int. ..	54,925	......	......
Re-organiz. & bond exp.	13,147	......	......
	528,504	557,274	432,436
Times Bond Int. Earned (after deprec.)	11.3	7.34	5.69

* After charging all expenses of manufacture, distribution and management, and making adequate provision for depreciation and income taxes.

Market Record—

	*1929 H	*1929 L	1928 H	1928 L
Common	25	18	33	22

* To Sept. 12.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	300,000 shs.	220,000 shs.
Pref. 6% cum. ($100 par).	$7,500,000	$4,500,000

Funded Debt—
5½ first mortgage sinking fund bonds, series "A," due 1953; issued $7,000,000.

Dividend Record—
Preferred—6% per annum, payable quarterly, Mar., June, Sept. and Dec. 1, cumulative from June 1, 1928.

Officers—C. Howard Smith, pres.; Harold Crabtree, vice-pres.; E. Howard Smith, Jr., man. dir.; K. G. Pendock, sec.-treas.; M. G. Peterkin, asst. sec.-treas.

Directors—C. Howard Smith, Harold Crabtree, Sir Herbert S. Holt, J. W. Pyke, J. Alex. Cameron, E. R. Decary, Howard Murray, G. M. McKee, E. Howard Smith, Jr., Montreal; J. H. Gundy, Geo. Chahoon, Jr., Grand'Mére, Que.; W. D. Robb, C. B. McNaught, Montreal.

Market Record—

	Common High	Common Low	Preferred High	Preferred Low
1916	80	80	...	...
1917	74½	65	...	...
1918	66	65	80	65
1919	151	65	99½	78
1920	165	145	...	...
New				
1920	167	74¾	107½	91
1921	110	58	82¼	64
1922	85	60	102	83
1923	83½	61½	108	97
1924	75	21¾	100	68
1925	47	22	106	69½
1926	67	38	106	92¾
1927	75	59	117½	103½
1928§	165	71	119	115
New Company				
1928	34	19	98	88
1929*	30½	22	93	85

§ To June 18.
* To Sept. 12.

Algoma Pulp

English Interests Control Enterprise in Northern Ontario

A comparative newcomer in the newsprint field is the Algoma Pulp, Paper & Dock Company, which was organized the latter part of 1928 through the offering to the public of 350,000 participating preference shares of £1 par value and 350,000 shares (of 2,000,000 to be outstanding) ordinary shares at two shillings each.

The company was formed to purchase the lumbering business of Austin & Nicholson, which has cutting rights on 799 square miles of Crown lands in Northern Ontario. The land is valued at $7,700,000 and the plant and equipment are appraised at $1,500,000. The company will build a dock at Michipicoten Harbor on Lake Superior capable of handling 250,000 tons of coal per season and a fully-equipped newsprint mill with a capacity of 200 tons per day.

The net earnings of Austin & Nicholson Ltd., for the last five years are as follows: $1923, $211,318; 1924, $225,435; 1925, $134,895; 1926, $95,094; 1927, $191,362. Substantial additional profits are expected from the new dock and paper mill, and the total profits when the dock and paper mill are in full operation are estimated at $1,616,500.

Capitalization—	Authorized	Issued
8% pfd. £1 par, participating	£400,000	£350,000
Ordinary (n.p.v.) ..	2,000,000	x1,124,382

x Shares.

Funded Debt—
Debentures to the amount of £800,000 are expected to be issued.

Directors—
The Rt. Hon. Viscount Falkland, pres.; Lt.-Col. George Bridges, C.M.G., D.S.O., vice-pres.; Capt. Samuel R. Woodger; Major-Gen. Donald M. Hogarth, M.P.P., Hon. James Lyons, B. W. Holden, H. S. Alexander, sec.

Great Lakes Paper

Operates Largest Newsprint Machine in World—Market for Output of New Fort William Plant Assured

The Great Lakes Paper Company, which during the past year has installed the world's largest paper machine in its plant at Fort William, is reported to be progressing satisfactorily. The company, according to latest reports, is turning out over 300 tons per day and is employing upwards of 400 men. It is understood that construction work of the plant is now completed, this having involved an expenditure of about $10,000,000. The plant as presently constituted was designed to manufacture between 450 and 500 tons of newsprint daily and most of the product is shipped to consumers in the Middle Western States and to Western Canada.

The aim of the company has been to produce a low-cost product, and the assumption is that the management will contrive to make a profit even at the present low price of newsprint. Should this prove to be the case, the company will be in a comfortable position should values in this respect stiffen later in its experience.

The company is controlled through ownership of all outstanding stock by the Backus-Brooks Company, of Minneapolis, Minn., which also owns over 85 per cent of all outstanding capital stock of the Minnesota and Ontario Paper Company. It is thus assured that efficient management is afforded by men who have been eminently successful in the newsprint paper business.

The capacity of the mill is more than sufficient to handle 100,000 tons annually. In addition to the newsprint paper mill, the company has constructed a sulphite mill, docks for water shipment via the Great Lakes and railroad and plant terminals. Two units of the paper mill are now in operation. The second unit, which commenced operations in May last, involves a mammoth machine, turning out a sheet of paper 304 inches wide.

Capitalization—	Authorized	Outstanding
Common (n.p.v.)	500,000 shs.	500,000 shs.
7% cum. ...... ($100 par).	$500,000	$500,000
Pref. class "B" 7% cum. .... ($100 par).	$1,500,000	$1,164,000

All outstanding stock owned by Backus-Brooks Co. of Minneapolis, Minn.

Funded Debt—
6% first mortgage sinking fund bonds, series "A," due 1950; authorized and issued $10,000,000.

Officers and Directors—
E. W. Backus, pres.; S. W. Backus, vice-pres. and treas.; George McLean, International Falls, Minn.; Dan McLeod, Kenora, Ont.; Strachan Johnston, sec.; C. C. Howey, asst. sec.; R. D. Main, asst. treas.

Spruce Falls Power

Newsprint Operations Are Now Above 400 Tons Daily

Developments of Spruce Falls Power and Paper Company at Kapuskasing, Ont., are approaching the final stage of completion. Original plans of the company called for an expenditure at Kapuskasing and Smoky Falls, of approximately $37,000,000, involving the construction of various power plants, model community, recreational facilities for employees and a newsprint plant of 550 tons daily capacity.

At present the newsprint plant has a rating of about 400 tons daily. A goodly proportion of this is being routed to the New York "Times," the balance being sold in the open market. In addition, the newsprint requirements of the Toronto "Mail and Empire" are being supplied from Kapuskasing.

It is understood that when the Mersey Paper Company's development at Liverpool, N. S., gets underway this fall, that an amount of paper, corresponding to that now being received by the "Mail and Empire," will be shipped to the New York "Times." I. W. Killam, of the Royal Securities, owns the Toronto "Mail and Empire" and is the promotor of the Mersey Paper Company Development.

All of the capital stock of the Spruce Falls Power and Paper Company is owned by the New York "Times" and the Kimberly Clark Company. The latter organization, for a number of years has operated a sulphite mill at Spruce Falls and will continue to take raw materials for one of its largely advertised products from this source.

Public investment interest in this company is confined to $13,000,000 of the $15,000,000 of 5½ per cent first mortgage bonds which are a prior charge on the property. They represent only about 40 per cent of the appraised value of the properties in Northern Ontario.

A portion of these bonds were sold in Canada but the bulk of the capital, including the capital provided by the New York "Times" and the Kimberly-Clarn Company, comes from the United States.

Capitalization—	Authorized	Issued
1st pref., 7% cum. ($100 par)	$9,500,000	$8,900,000
2nd pref., 7% cum. ($100 par)	5,500,000	5,000,100
Common (n.p.v.) ..	200,000 sh.	200,000 sh.

Entire capital stock owned jointly by Kimberley-Clark Co., Neenah, Wis., and the New York Times Co.

Funded Debt—
5½% first mortgage serial bonds; outstanding $15,000,000.

Officers and Directors—
F. J. Sensenbrenner, pres., Neenah, Wis.; J. H. Black, vice-pres. and gen. mgr., Toronto; J. C. Kimberley, treas.; Ernst Mahler, treas., Neenah, Wis.; Adolph S. Ochs, A. S. Sulzberger, J. O. Adler, New York.

Production—
Daily capacity of 550 tons of newsprint, 440 groundwood pulp, and 230 tons sulphite pulp.

Don Valley Paper

Capitalization—	Authorized	Outstanding
Preferred 7% ...... (Par $100).	1,500 shs.	500 shs.
Common .... (No par value).	5,000 shs.	2,500 shs.

Officers—
N. E. Wainwright, pres.; F. M. Turnbull, treas.; J. F. MacKenzie, supt.

Thunder Bay Paper

Canada Power and Abitibi Jointly Acquire Control

Direct public investment interest in the common stock of Thunder Bay Paper Company was eliminated this year, when control was secured jointly by Abitibi Power and Paper Company and Canada Power and Paper Corporation from the Consolidated Water, Power and Paper Company. Active management of this company is being carried on by Abitibi Power.

Thunder Bay's operations at Port Arthur are combined in two mills known as the Current River and Bare Point plants. The Bare Point will produce only about half the company's groundwood requirements; the remaining groundwood and sulphite pulp newsprint is produced at the Current River plant.

The company produces some 3,000 h.p. of electric energy at its own plant and purchases 16,000 h.p. from the Ontario Hydro Electric Commission.

Surplus Pulp Output

In addition to its newsprint output from two machines having a daily capacity of 125 tons each, Thunder Bay has a surplus daily sulphite pulp capacity of some 75 tons.

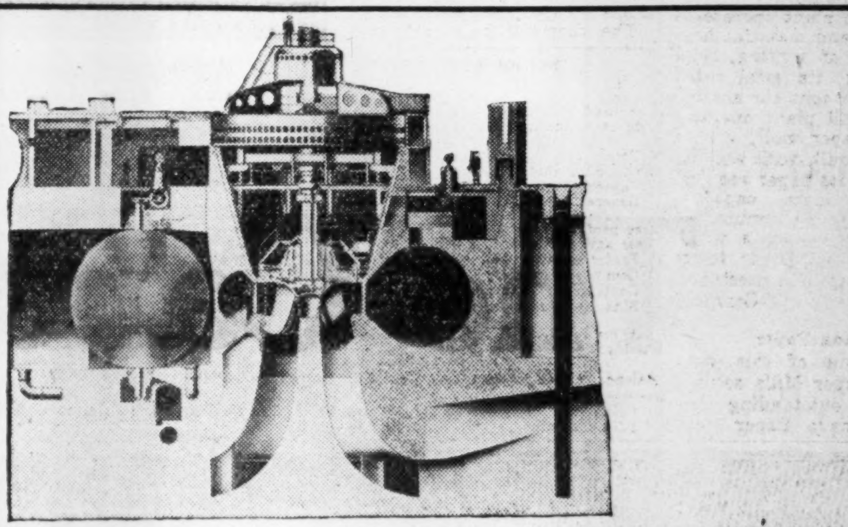
Thunder Bay purchases about 30,000 cords of pulpwood annually through the Newaygo Timber Company, Limited. It is likely that some new arrangements will be made by the present owners in regard to the purchase of the pulpwood, as the Newaygo Timber Company is a subsidiary of the Consolidated Water Power and Paper Company.

Capital Stock — 20,000 shares, $100 par value.

Funded Debt — $3,200,000 outstanding debentures.

Officers — Alexander Smith, pres.; F. A. Sabbaton, vice-pres.; L. R. Wilson, man. dir.; W. H. Smith, sec.-treas.; T. Broadhouse, asst. sec.-treas.

Directors — Alexander Smith, New York; F. A. Sabbaton, Grand'Mère, Que.; George H. McKee, G. H. Montgomery, K.C., L. R. Wilson, Montreal.



The Turning Point in Canada's Progress

When the old waterwheel of earlier days was replaced by the mighty turbine as we know it today, this turbine veritably became the turning point in Canada's progress.

For with the harnessing of Canada's hydro power resources, made possible by the advent of electricity and the hydraulic turbine, began Canada's great industrial expansion.

Canada is rich in waterpower and forest resources. The Dominion Engineering Works is proud of its part in the harnessing of these hydro power resources which in turn through the electric energy produced, has largely made possible the growth of the pulp and paper industry.

In the pulp and paper industry, the Dominion Engineering Works has demonstrated too, its contribution toward the economic development of Canada's natural resources—through the building of paper machines which hold all-Canadian records for speed, size and dependability of operation.

The Dominion Engineering Works, through its experience, capacity and continuous research is fully equipped to meet the needs of the power and paper companies for machines which excel in performance and dependability.

Products of Proven Performance and Dependability

Paper Machinery

Paper Making Machines—all types.
"Beloit" Removable Fourdriniers.
Millspaugh Suction Couch and Suction Press Rolls.
Rubber Covered Rolls. Press Rolls.
Millspaugh Shower Pipes. Granite Top Press Rolls.
Calender Stacks—Pope Reels—English Reels.
2 Drum Winders—with equal or unequal Drums.
"M. & W." 4 Drum Winders. Beaters—Jordans.

Hydraulic Machinery

I. P. Morris Hydraulic Turbines. Pelton Water Wheels.
Johnson Hydraulic Valves. Moody Spiral Pumps.
Large Gate and Pivot Valves. Machinery to special design.

Kaelin Electric Steam Generators

For utilizing surplus or off-peak power. Outstanding features are:
Rapid Steam Production — Compactness
Low First Cost — Cleanliness
Low Maintenance Cost — Simplicity
Low Labor Cost — Safety

Kaelin Electric Steam Generators have been built in capacities ranging from 100 K.W. to 42,000 K.W. at voltages from 550 to 13,200.

Alterations

Modernizing and re-building of all types of papermaking machinery to meet purchaser's requirements.

Roll Grinding

Dominion Engineering Works, Limited, operate a special department for the regrinding of rolls and cylinders. Capacity up to 12 feet diameter and 270-inch face.

Granite Rolls — Cast Iron and Chilled Rolls
Bronze Covered Rolls — Steel Rolls — Rubber Rolls

TO-DAY

Over 1,750,000 Horse Power
DOMINION HYDRAULIC TURBINES have been installed or are under construction.

Over 4,320 Tons of Paper Daily are made on DOMINION PAPER MAKING MACHINES

DOMINION ENGINEERING WORKS LIMITED
• MONTREAL • CANADA •

Associated Companies
I. P. Morris Corporation, Philadelphia
The Pelton Water Wheel Company, San Francisco and New York

FAIRCHILD
AERIAL SURVEYS COMP
OF CANADA LIMITED
GRAND MERE QUEB

Aerial view showing the Laurentide Company's mill at Grand 'Mére — an important unit of the Canada Power and Paper Corporation. Immediately adjacent hydro-power has contributed markedly to the Laurentide Company's low operating costs.

The Canada Power and Paper Corporation

Total Daily Capacity of Plants 1,294 Tons of Newsprint

Also Producing

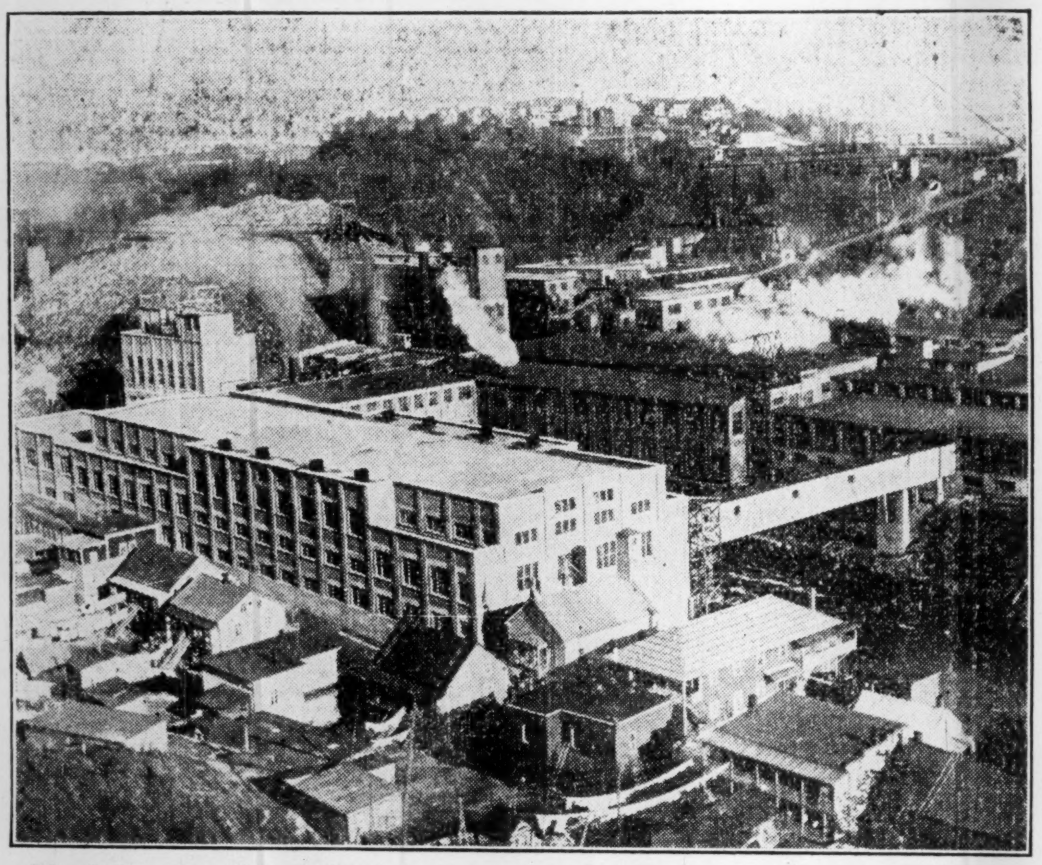
Cardboard, Wrapper and Sulphite Kraft and Groundwood Pulps

Saw Mills at Pembroke, Ontario

Producing

White Pine, Red Pine and Spruce Lumber
Pickets, Laths, etc.

Annual Capacity of 25,000,000 F.B.M.



The Belgo Canadian mills of the St. Maurice Valley Corporation at Shawinigan Falls, P.Q., about twenty miles up the St. Maurice River from the corporation's Cap de la Madeleine unit. The capacity of the Belgo unit is 600 tons of newsprint daily. The location of the plant allows the wood to move largely by gravity from the time it enters the mill until it ultimately emerges as newsprint.

Successor and Operating Company of:

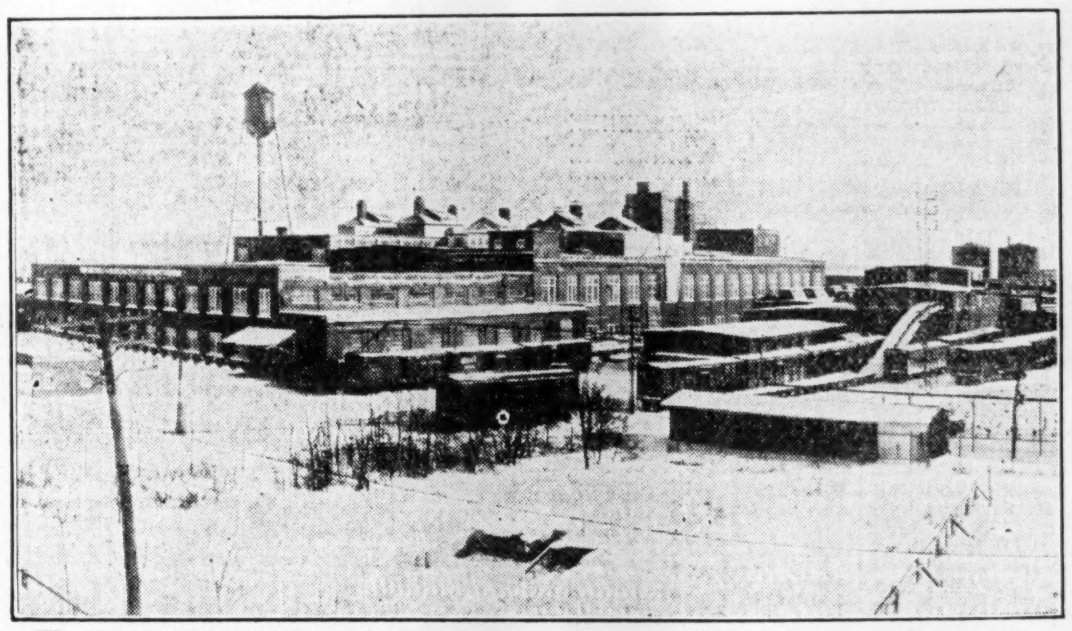
Belgo-Canadian Paper Company Limited
Shawinigan Falls, P.Q.

St. Maurice Paper Company Limited
Cap de la Madeleine, P.Q.

Laurentide Company Limited
Grand'Mere, P.Q.

Laurentide-Ottawa Company Limited
Pembroke, Ontario

Head Office
MONTREAL



The Cap de la Madeleine mill of the St. Maurice Valley Corporation. The daily capacity of the plant is 265 tons of newsprint and 65 tons of sulphate pulp. It is located at the junction of the St. Maurice and St. Lawrence Rivers. Logs float directly to the mill and the finished product can be shipped directly into ocean-going vessels.

Building Products

This Has Resulted in Earnings Greatly Exceeding Those of Any Previous Year—Additions to Directorate and Increase in Capital

Building Products is a company which is reported to be making earnings during its present fiscal year which are very much in excess of those of any previous year. This is due to the fact that in the past six months its output has been still further diversified. Formerly it manufactured, and still manufactures, asphalt shingles, roll roofing, roofing felt, wall board and allied products, to which have now been added the production of solid fibre shipping boxes and Insul-Board. The former is produced at the Portneuf mill, through the installation of entirely new equipment, while the latter is put out at the Port Alfred mill, through the medium of a subsidiary, National Forest Products, which is controlled jointly by Building Products and St. Maurice Valley Corporation.

The company was incorporated in 1925 as a consolidation of Bird and Company, a Canadian company having affiliations with Bird and Co., Inc., of East Walpole, Mass., and Ruberoid Company, having affiliations with the Ruberoid Company of New York. Plants of these concerns were distributed as follows: The Paper Mill of the Ruberoid Manufacturing Company at Portneuf, Que., with a daily capacity of over 80 tons of sheathing, papers and pulp board for the manufacture of wall boards; the felt mill of Bird and Sons at Pont Rouge, Que., with a capacity of over 35 tons of rag felt per day; the roofing factories and wallboard plant of the Ruberoid Company at Highlands, Montreal, Que., and the roofing and asphalt shingle plant of Bird and Son at Hamilton, Ont.

In 1926 the water rights of the Pont Rouge mill were sold to the Donnacona Paper Company under an agreement that provides the company with power for future operation of the mill in question at a low rate per horse power. Early in 1927 the company acquired the vulcanite roofing division of the Beaver Company and in the same year a new product, Insul-Board, was developed. In conjunction with the St. Maurice Valley Corporation, the company, in 1928, organized National Forest Products, a company, as has been said, to be controlled jointly by these two companies. The company is still controlled by the Bird and Ruberoid interests but representation is now held on the board of directors by the St. Maurice Valley Corporation interests.

During the past fiscal year the membership on the board of directors was increased from seven to nine. Three vacancies which then existed were filled by the appointment of George M. McKee, vice-president of the St. Maurice Valley Corporation, C. B. McNaught, president of the British Empire Steel Corporation and H. R. Tudhope, vice-president of A. E. Ames & Company. The directors in December last decided to call for redemption of the balance of the preferred shares outstanding, and, in the same month, with the consent of the shareholders, it was decided to increase the capital stock of the company by an additional 10,986 class "A" common shares, whose issue was also authorized. When this transaction had been completed the capital stock of the company consisted of 4,500 class "B" (voting) common shares and 116,346 class "A" (non-voting) common shares. The dividend of class "A" and class "B" common shares of the common shares of the company was increased from $1.20 per share to $1.60 per share per annum, effective as of the last quarter of 1928.

Capitalization—	Authorized	Outstanding
Com. "A" (n.p.v.)	116,346 shs.	105,860 shs.
Com. "B" (n.pv)	4,500 shs.	4,500 shs.

The preferred stock was called at 105 Jan. or Apr. 1, 1929.

Dividend Record—
Common—Class "A" and class "B"—$1.60 per share per annum, payable quarterly. Increased from $1.20, commencing the last quarter of 1928.

Officers and Directors—
Officers—Herbert Abraham, chairman of board; P. R. Allen, pres.; Wm. R. McNeil, vice-pres. and man. dir.; R. C. Crooker, sec.-treas.
Directors—Herbert Abrahams, New York; Philip R. Allen, East Walpole, Mass.; Wm. R. McNeil, Montreal; A. E. Ames, Toronto; C. P. Cowan, Montreal; D. P. Hatch, Montreal; H. R. Tudhope, Toronto; G. M. McKee, Montreal; C. B. McNaught, Montreal.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT
Years Ended December 31

	1928 $	1927 $	1926 $
Net profit	*376,395	*331,737	210,000
Less appropriations:			
Res. for conting. incl. inc. tax	......	......	43,466
Prem. and exp. re red. of pref. st'k	56,972	......	......
Pref. divs.	49,000	50,750	52,500
Com. divs.	142,818	32,958	......
Dividends ‡	......	......	......
Surp. for year	127,605	248,029	114,034
Add: Prev. surp.	402,269	154,240	40,206
Adjustments	113,591	......	......
Bal car. for.	643,465	402,269	159,240

*After adding income from investments and deducting reserve for contingencies (a portion of which is available for income tax) and reserve for depreciation of $100,616 in 1928 and $85,105 in 1927.

‡Dividends and interest on outstanding shares, bonds, etc., of constituent companies paid prior to acquisition of these securities by Building Products, Limited.

Div. Record and Earn. per share:			
Pref., earned	$45.63	$47.40	$22.20
Paid	7.00	7.00	7.00
Com. "A" and "B," earned	2.46	2.55	10.37
Paid	1.30	.30	...

Market Record—

	x1929 H	x1929 L	1928 H	1928 L	1927 H	1927 L
Com.	46	33	47	29½	34½	23¼

x To Sept. 12.

Anticosti Corporation

Completes First Full Year of Operations

This company took over the Island of Anticosti, ownership of the common shares being distributed equally between the St. Maurice Valley Corporation, Port Alfred Pulp and Paper Company. Logging operations are carried out both in the company's own camps, and also by jobbers.

The company has an estimated output of approximately 200,000 cords per annum.

The company's fixed assets consist of complete ownership of the Island of Anticosti except an unimportant acreage which has been ceded to the government for light-house purposes. The area of the Island amounts to about 3,100 square miles and is approximately one and a half times the area of Prince Edward Island. It is estimated to contain at least 15,000,000 cords of pulpwood, which have a value of $15,000,000.

The three parent companies have entered into an agreement with their subsidiary which provides for the purchase of a definite amount of pulpwood annually, and to pay to the Anticosti Corporation the full amount of its operating expenditures and depreciation charges, plus certain stumpage fees for the pulpwood cut. These minimum stumpage fees are to be paid, whether or not the specified number of cords are taken out.

The bond interest and the preferred dividend requirements of the subsidiary company are jointly and severally guaranteed by the three parent organizations.

One feature of the preference shares in the Anticosti Corporation is the fact that, after January 1, 1935, the corporation will set aside 50 per cent of the balance of the net earnings, after payment of preferred dividends and a sinking fund for the preference shares.

Capitalization—	Authorized	Outstanding
Common shs. (n.p.v.)	60,000	60,000
Pref. 7 per cent ($100 par)	$6,000,000	$3,000,000

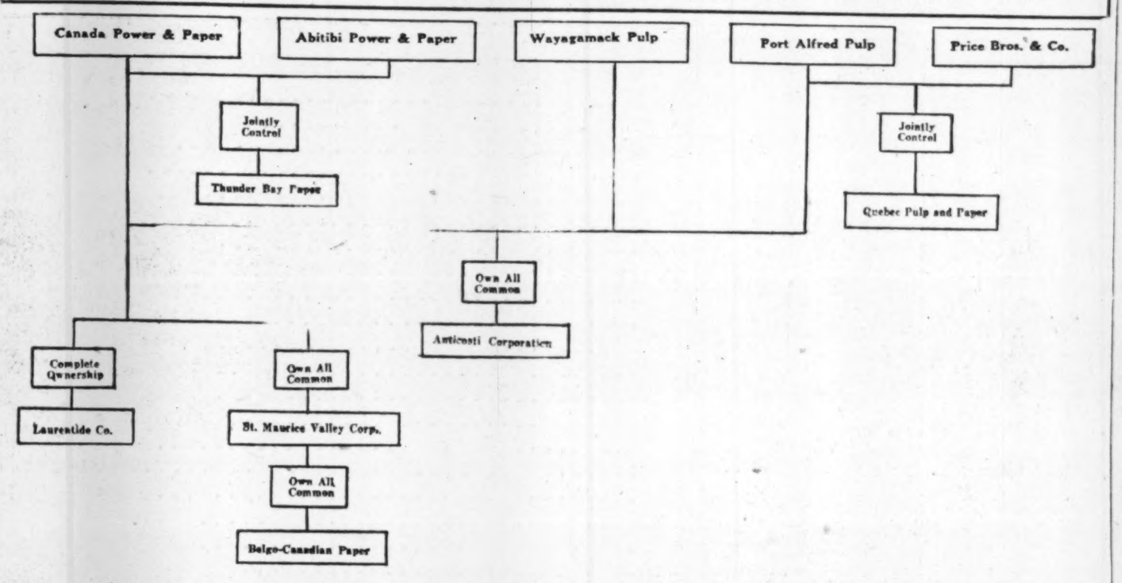
All of the common shares are owned by the St. Maurice Valley Corporation, Wayagamack Pulp and Paper Co., and Port Alfred Pulp and Paper Corporation.

Funded Debt—
6½ per cent first mortgage sinking fund bonds, due 1941; outstanding $5,763,500.

Dividends—
Preferred—7 per cent per annum, payable quarterly, Mar., June, Sept. and Dec. 1.

Officers and Directors—
A. J. Brown, K.C., chairman of the board; G. M. McKee, pres., Montreal; C. R. Whitehead, vice-pres., Three Rivers; Sir Herbert Holt, Montreal; François Faure, man. dir., Montreal; F. I. Ritchie, Three Rivers; J. H. Gundy, Toronto; L. A. Brooks, sec.-treas.; G. W. Hodgson, compt.

Chart Shows Interlocking Relationship of Producers



As a result of absorptions and consolidations which have taken place in the newsprint industry over the past few years, the major companies now have an inter-locking of interests. The above diagram reveals, to some extent, the complexity of corporation holdings of some of the principal operators.

Rolland Paper

Long-Established Fine Paper Maker Experiencing Prosperous Times—Enlarge St. Jerome Mill—Preferred Stock Offers Possibilities

In common with the other fine paper producers in Canada, Rolland Paper Company is experiencing prosperous times, mills operating at capacity, and earning power increasing in ratio.

Business conditions throughout the Dominion in the past two or three years have been such as to create a sharp increase in demand for fine papers. Rolland Company has benefitted to the full.

Furthermore, the fact that the company became of public investment interest a year ago has not been without effect in building up public goodwill and further widening the market for Rolland products.

Enlarge Paper Mill

Properties of the company consist of two mills, one at Mount Rolland, with a capacity of 5,300 tons of sulphite bond and rag stock paper and that of St. Jerome, with a production of 2,900 tons of high grade writing stock paper, tub sized and loft dried. The capacity of the St. Jerome mill was increased by about 1,300 tons this year, through the installation of a new 86-inch rag stock paper machine.

Unlike the other producers of paper, in Canada, though, the Rolland Paper Company does not produce the wood pulp which it uses in a raw material at Mount Rolland. At St. Jerome, the raw material consists of rags, which are purchased and then converted into pulp.

Market in Canada

Virtually the entire market for the output is in Canada. On that account Rolland is not affected by the unsatisfactory conditions existing in the newsprint market of the United States. Provided general business continued to progress in Canada there will be an increasing demand for fine paper. With the established record which the company has built up for paper of quality, the Rolland Company's growth should be continued. With the increased capacity of plant and demand for all that the company produce, it is anticipated that the company will show a substantial increase in earnings for 1929.

On that account, and in view of the bright outlook for the company, considerable value attaches to the preferred stock warrants, which give the holder the right to purchase three no par value common shares for every ten preferred held at varying rates, beginning with $32 a share up to June 1, 1930.

Capitalization—	Authorized	Issued
Common (n.p.v.) ..	100,000 sh.	60,000 sh.
xPref. 6% cum., red. ($100 par) ..	$2,500,000	$1,500,000

x Original issue carried rights to the purchase of common shares at special price, on the basis of 3 common for each 10 preferred.

Funded Debt—
5½% first mortgage sinking fund bonds, series A, due 1948; issued $2,500,000.

Dividend Record—
Preferred—6% per annum, payable quarterly, Mar., June, Sept. and Dec. 1. First dividend paid Sept. 1, 1928.
Common—None paid.

Officers and Directors—
Officers—S. J. P. Rolland, chairman of board; Jean Rolland, pres.; J. Pierre Rolland, vice-pres.; Olivier Rolland, gen. mgr.; J. A. Forget, sec.-treas.
Directors—S. J. B. Rolland, Jean Rolland, J. Pierre Rolland, Olivier Rolland, W. C. Pitfield, Francis Saint-Pierre, Archibald Fraser, Edmundston, N.B.; Donald Fraser, Plaster Rock, N.B.; John H. Price, Quebec.

INCOME AND SURPLUS ACCOUNT
Seven Months Ended Dec. 31, 1928

Net earnings	$258,697
Less depreciation	80,207
Bond interest	40,000
Net profits	138,399
Less preferred dividends	45,000
Organization expenses	13,203
Surplus for year	80,196
Times Bond Interest Earned after Depreciation	4.45
Earnings per share for period:	
Preferred, earned	$9.22
Paid	3.00
Common, earned	1.33
Paid	nil

Mersey Paper Digester Unit Supplied by Maritime Firm

The entire digester equipment of the new Mersey Paper Company plant at Liverpool, N.S., was manufactured and supplied by Messrs. T. McAvity and Sons of Saint John, N.B. The installation included, among other things, complete digester fittings, valves, connections on acid storage tanks, piping, etc.

E. B. Eddy

For Over Eighty Years One of the Large Producers

As far as the public is concerned, the E. B. Eddy Company is a closed corporation. This company was incorporated back in the 80's with an authorized capital of $5,0000,000, of which $300,000 has been issued. Dividends have been paid continuously for many years, but no details have been made public.

It is generally understood that International Paper has acquired a substantial interest in this organization, though control is believed to rest with interests which have long been associated with the organization. The belief that International Paper is interested in this company, is strengthened by the fact that recently Victor M. Dury, who is closely associated with the American concern, was elected president of the company. Furthermore, it would be mutually advantageous to both companies, if such an investment interest existed, as both organizations could effect material saving in their logging operations on the Ottawa and Gatineau Rivers.

Establish Large Industry

For over 80 years, the E. B. Eddy Company has operated in Hull, P.Q., and has built up one of the largest and best known industries in the Dominion. At one time it had control of the match industry in this country, but of late years this interest has been taken over by the Eddy Match Company, operating a large mill at Pembroke, Ont.

Eddy's has varied production, consisting of a daily output of seven tons of tissue paper, 25 tons of board, 125 tons of newsprint, 1,000,000 paper bags, eight tons of bags and manila, 15 tons of wrapping paper and 10 tons of book and writing paper. These figures are estimates only, as the company does not make any official statements as to its output.

The plant covers an area of 75 acres. The raw materials that feed the mills come from timber limits covering 2,000 square miles on the Gatineau and Ottawa Rivers. These limits adjoin those belonging to the Canadian International Paper Company. The mills employ some 2,500 persons.

Capitalization—
Capital stock, $300,000 outstanding. (Par $100).

Funded Debt—
None.

Dividend Record—
Dividends have been continuously paid for many years; payments not made public.

Officers—
V. M. Drury, pres., Montreal; C. V. Caesar, gen. mgr.; D. Tilley, treas., Ottawa; J. F. Taylor, sec. and sales manager; Hon. R. B. Bennett, Calgary; A. A. Aitken.

WELLAND STEEL CASTINGS LIMITED
Allegheny Metal and "A" Castings
WELLAND, ONT.

PULP AND PAPER MACHINERY
CARTHAGE MACHINE CO. of Canada, Limited
BELLEVILLE - - ONT.

POWER PLANTS
from 70 h.p. to 1,000,000 K.W. ult.

PULVERIZED FUEL
Complete systems with mill capacities from 600 to 60,000 lb. of coal per hour.

WATER-COOLED FURNACES
From 90 sq. ft. to 4,132 sq. ft. of water wall surface.

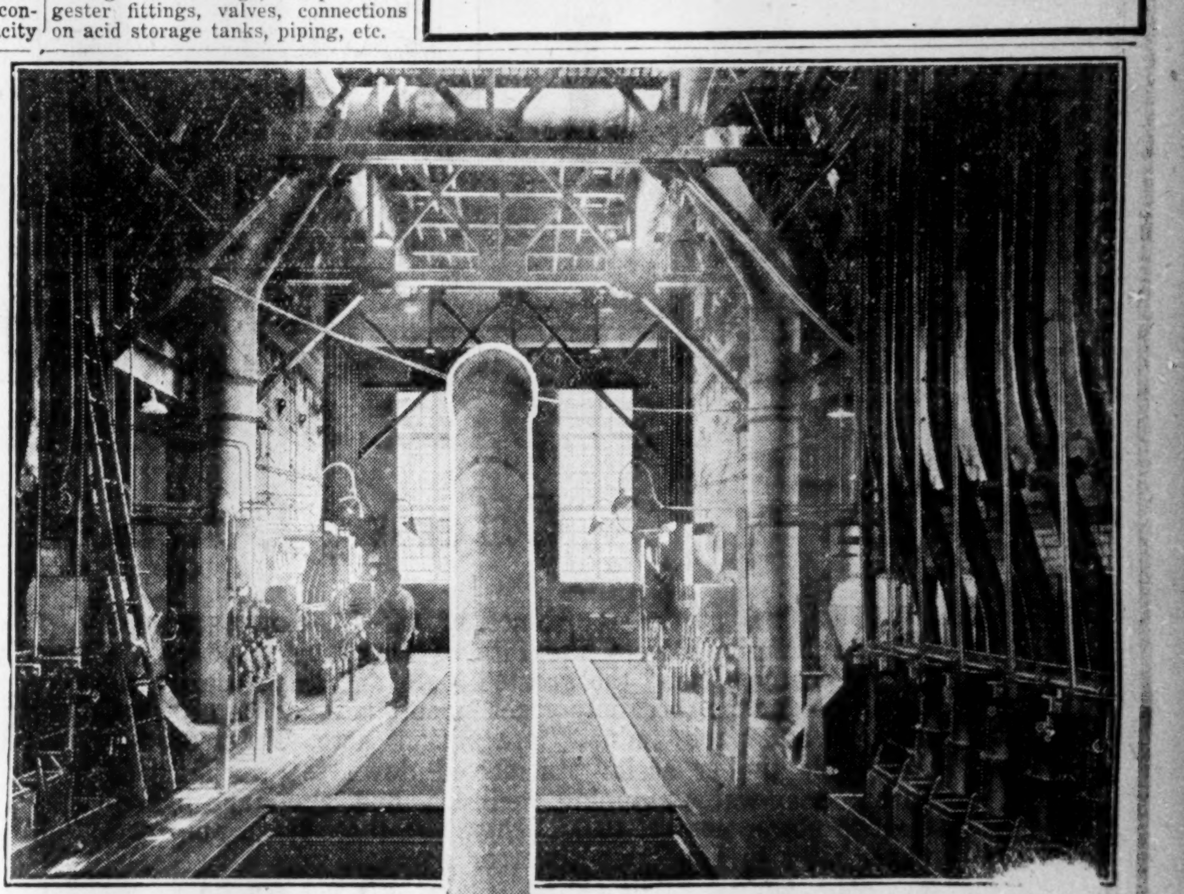
STOKERS
For capacities from 250 to 40,000 lb. of coal per hour.

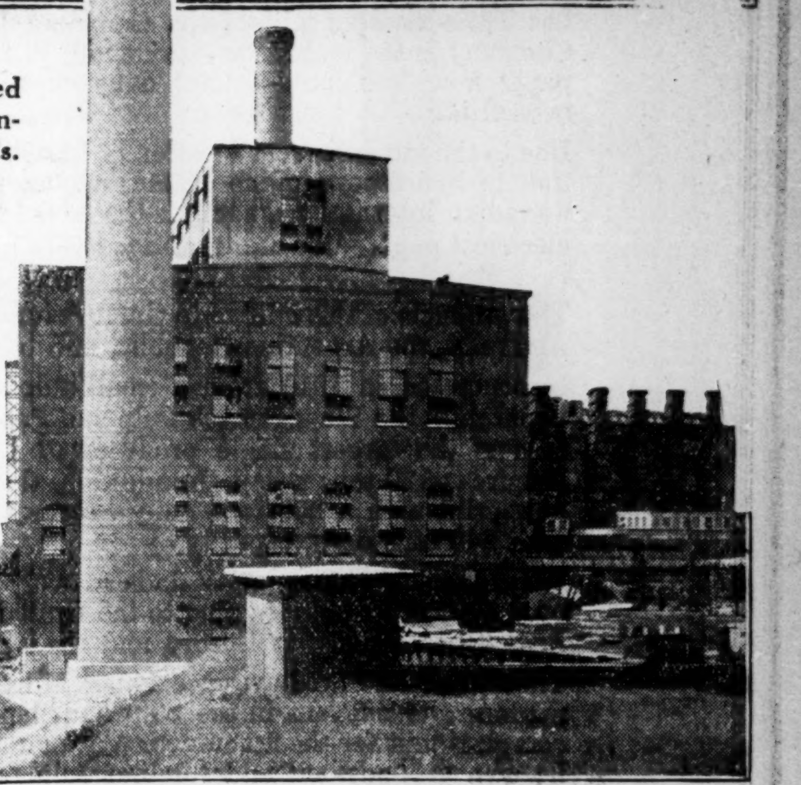
AIR PREHEATERS
From 217 to 66,942 sq. ft. of heating surface.

THE wide range of fuel burning and steam generating equipment offered by Combustion Engineering Corporation Ltd. is available to Power Plants throughout Canada.

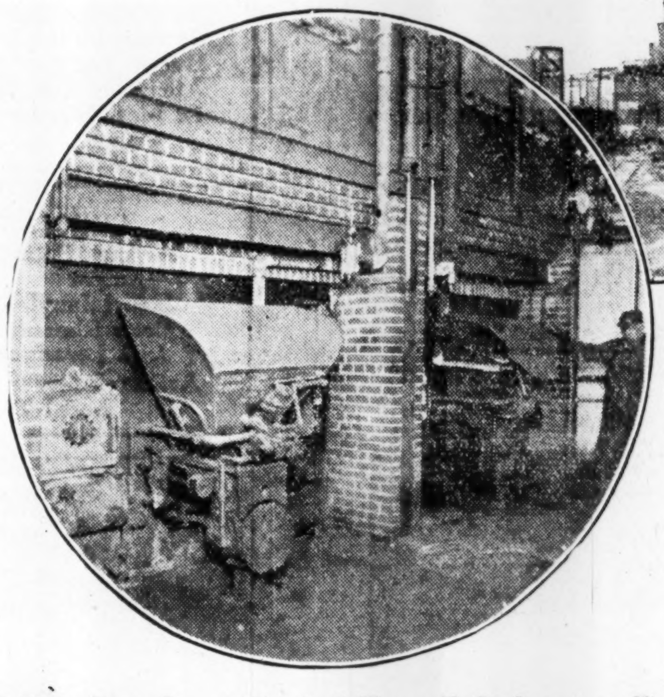
The successful utilization of Maritime Coals by Lopulco Pulverized Fuel Systems, with high efficiency and low maintenance costs, is but one example of the service possible to Canadian Power Plants through the knowledge and experience of this organization and its associates.

There is no sharp dividing line between the responsibilities of the stoker or burner manufacturer, the furnace builder and the boiler maker. Steam Generation is a combined process of heat liberation and heat absorption. The performance of individual elements is secondary to the performance of the combination as a unit. The ultimate goal sought is to produce a dependable supply of steam at minimum cost.





Typical Lopulco Pulverized Fuel System in one of Canada's largest paper mills.



Typical Type E Stoker installation in a prominent Canadian manufacturing company's plant.

You will find equipment of this organization installed in the best known Canadian paper plants, a few of which are listed below.

St. Lawrence Paper Mills Co., Ltd.
Canadian International Paper Co.
Laurentide Co., Ltd.
Lake Superior Paper Co.
Fort William Paper Co.
St. Annes Paper Co.
Manitoba Paper Co.
Lake St. John Power and Paper Co.
Nashwaak Pulp and Paper Co.
Provincial Paper, Ltd.
Howard Smith Paper Mills, Ltd.
Canada Paper Co.
Hinde and Dauch Paper Co.

COMBUSTION ENGINEERING CORPORATION, Ltd.
Drummond Building, Montreal
A Subsidiary of International Combustion Engineering Corporation

COMBUSTION ENGINEERING

FAIRCHILD AERIAL SURVEYS CO. (OF CAN.) LTD. GRAND MERE, QUE.

Aerial view of Les Trois-Rivières. Note the splendid water transportation facilities There is a wharf frontage of 4,500 feet and excellent warehouse storage available. The port is administered by a Federal Harbour Commission, assuring thorough co-operation in all matters affecting shipping and harbour improvements to meet expansion needs.

FAIRCHILD
AERIAL SURVEYS COMPANY OF CANADA LIMITED GRAND MERE QUEBEC

Showing the north and eastern part of Les Trois-Rivières and the great mill of the Canadian International Paper Company. With Les Trois-Rivières situated at the junction of the St. Maurice and St. Lawrence Rivers, the pulp and paper mills have pulpwood economically brought to their door, and deep water shipping facilities permit convenient export of finished paper to the markets of the world.

Les Trois-Rivières

(Three Rivers)

Province of Quebec, Canada

Canada's Greatest Pulp and Paper Centre

Offering Outstanding Advantages to all Industrial Enterprise

SITUATED at the confluence of the St. Lawrence and St. Maurice Rivers, the City of Les Trois-Rivières has logically become the greatest pulp and paper centre in Canada—for the three important essentials for the success of the pulp and paper industry are present here. These are:—Accessible timber easily transported down the St. Maurice River; deep-water shipping facilities, and abundant hydro-electric power near at hand. There are three large pulp and paper mills in Les Trois-Rivières.

Les Trois-Rivières mill of the Canadian International Paper Company is the largest newsprint mill in the world. Its eight paper machines have a total daily capacity of 700 tons of newsprint.

Due to the advantageous location of Les Trois-Rivières in relation to hydro-power, one of the outstanding features of the Canadian International's mill is that it is one of the few 100% electrical paper mills in the world. Every application of power is electrical.

The products of this mill go to Great Britain, the United States, Australia, the Argentine Republic, and to Cuba.

Incorporated in 1910 from a small sulphate pulp and kraft paper mill, the Wayagamack Pulp and Paper Company's plant is now the largest single producer of kraft in the British Empire—120 tons a day. In addition, the company produces newsprint with a 200 tons daily capacity, and sulphate pulp with 240 tons daily capacity.

Wayagamack's kraft paper finds a ready market overseas—over 60% of its output going to the United Kingdom, to other British possessions, to Europe and the Far East.

The mill of the St. Lawrence Paper Mills is one of the most modern and efficient in the pulp and paper industry. It is a complete unit for the manufacture of newsprint paper, making its own groundwood and sulphite pulp for its 500 ton daily newsprint capacity.

All of these companies benefit from the accessibility of wood supply via the St. Maurice River, and their own deep-water shipping facilities on the St. Lawrence River providing economical transportation of incoming raw materials and outgoing finished products to domestic and foreign markets during seven months of the year.

INDUSTRIAL SUCCESS IN THREE RIVERS BASED ON SOUND ESSENTIALS

Les Trois-Rivières is fortunate in its all-round advantages for industry:

The largely French-Canadian population of the city provides a source of labor unequalled anywhere on this continent. Faithful, contented, skilled and unskilled labor assures industry a labor supply that is diligent and industrious.

Les Trois-Rivières is strategically located both in relation to raw materials and markets. Lying mid-way between Quebec and Montreal and with a deep-water harbour, it taps the markets of the world by water and the large consuming centres of Canada and the United States by water and rail (Canadian Pacific).

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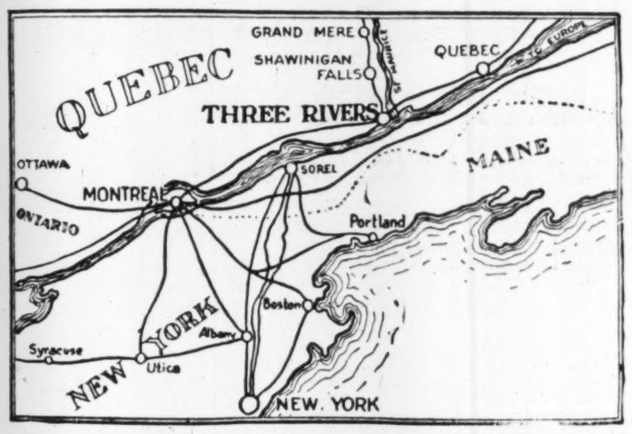

Note Three Rivers' strategic location

Leading Industries in Les Trois-Rivières

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St. Lawrence Pulp & Paper Mills
Wabasso Cotton Co.
Canada Iron Foundries
Geo. Christie Canada Ltd.
Girard & Godin
Howe Lumber Co.
Tebbutt Shoe & Leather Co.
Balcer Glove Mfg. Co.
St. Maurice Shirt Co.
Stirling Shirts & Overalls Ltd.
Burrill Lumber Co.
Alex Des Marais
Le Manufacture des Chaises et Meubles Gelinas Limitee

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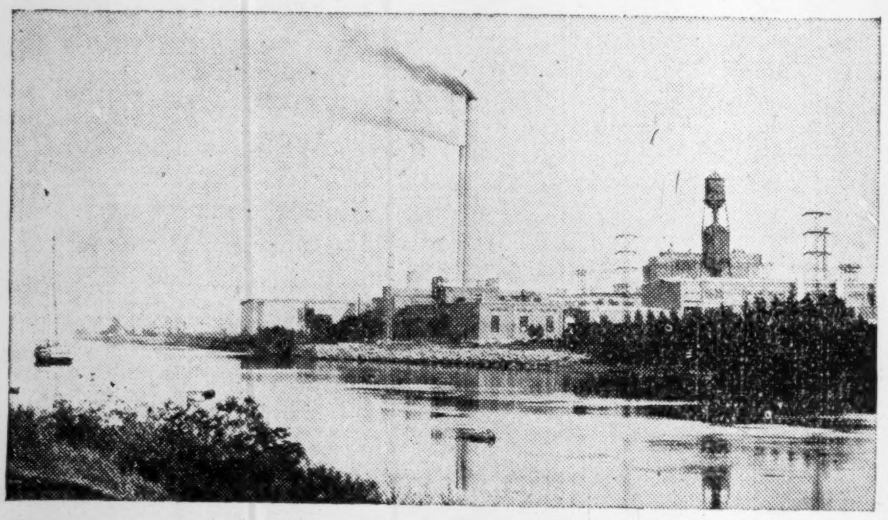
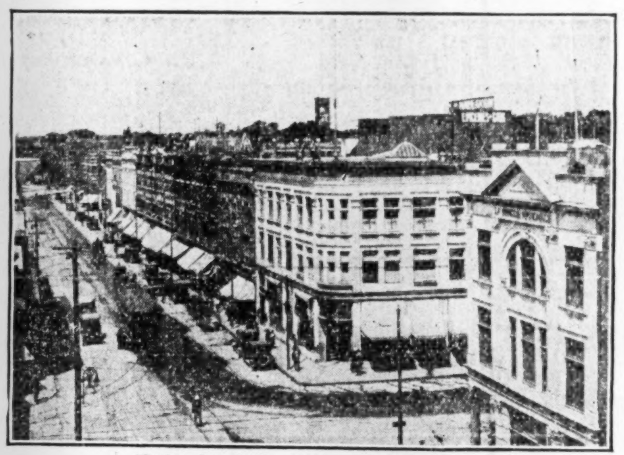
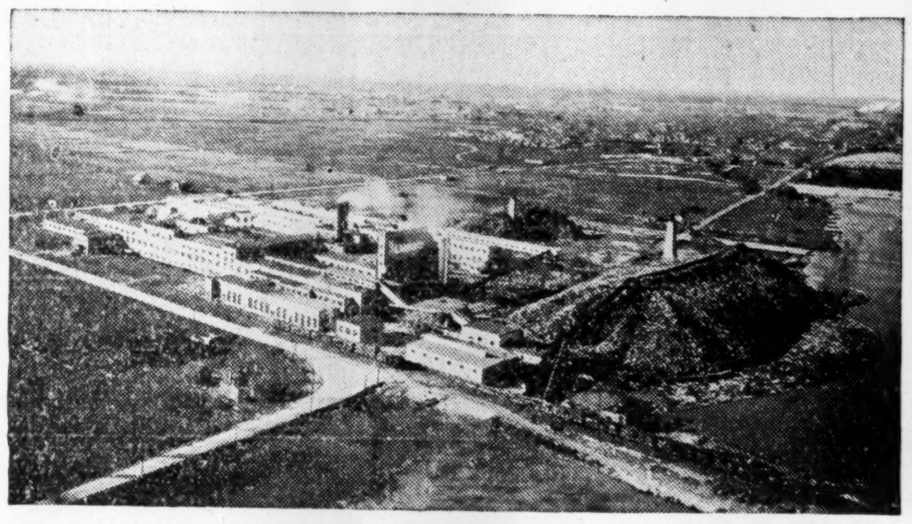


The mills of the Wayagamack Pulp and Paper Company, the largest producer of kraft paper in the British Empire. Wayagamack also produces newsprint and sulphate pulp.



Principal Business Street

Your Industry will THRIVE in Les Trois-Rivières
For information write
J. M. GABIAS, City Comptroller, Les Trois-Rivières, P.Q.



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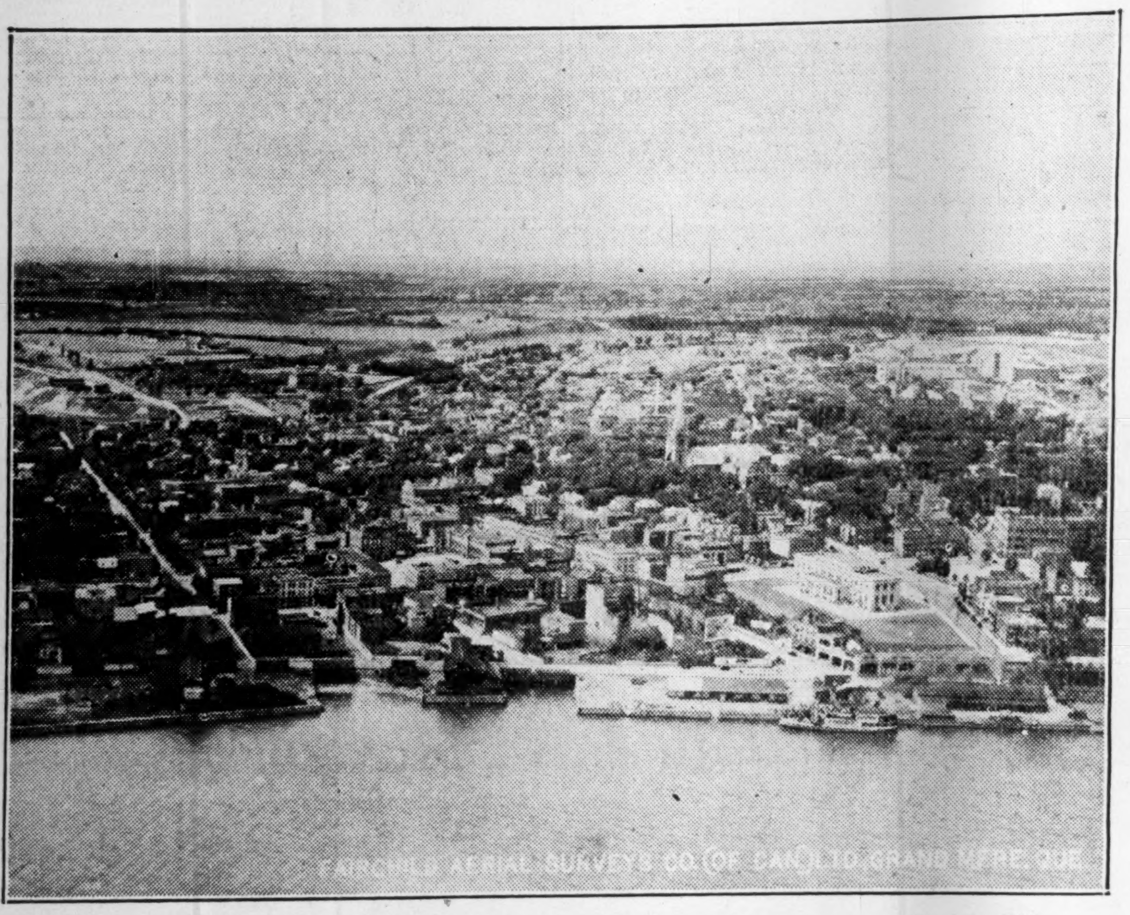
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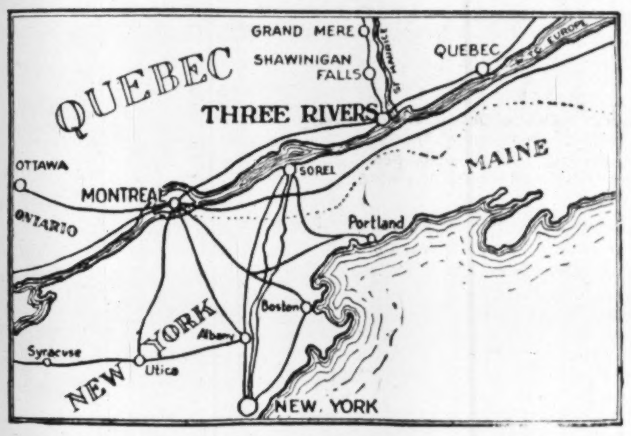

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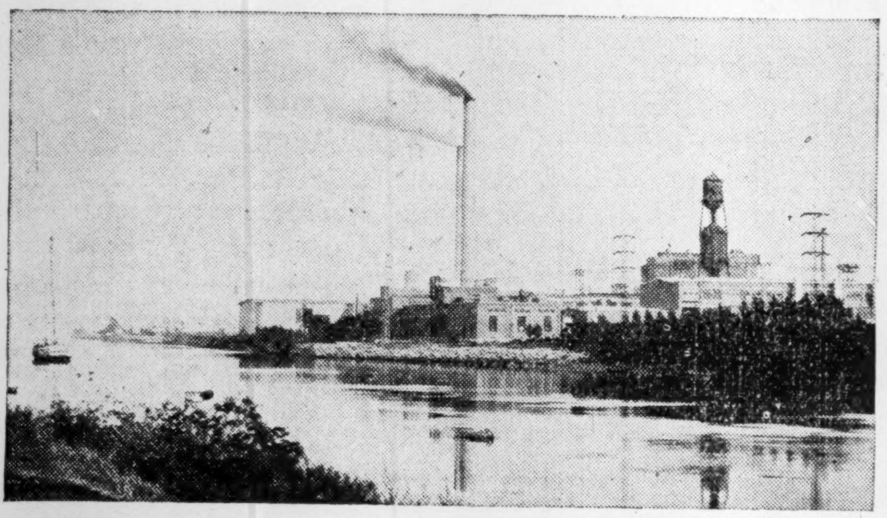

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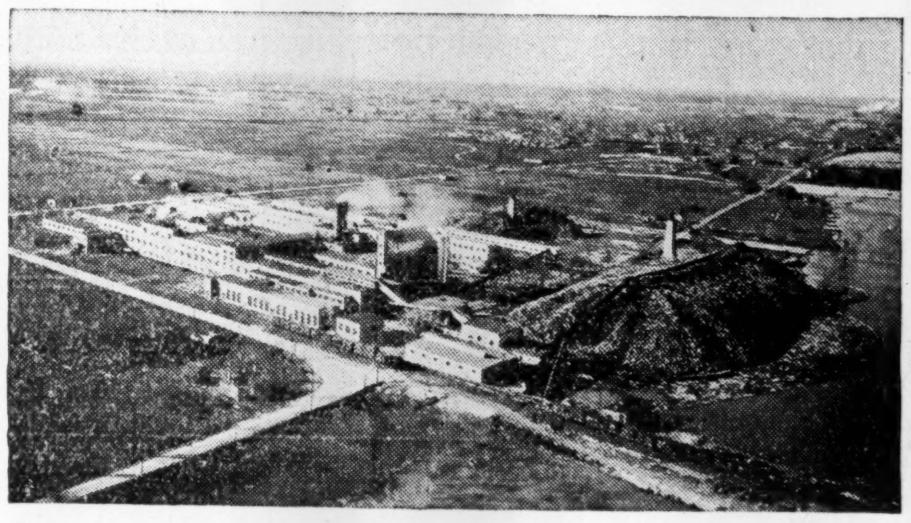

Plant of the St. Lawrence Paper Mills Company. This is a complete unit — including groundwood and sulphite pulp — for the manufacture of newsprint paper.

PAPER PRODUCTS EXPORT MARKETS ARE WORLD-WIDE

U.S. Still Best Customer But Other Markets Growing

Efforts made by Canadian newsprint producers to widen the market for their products, so that production will not be so dependent upon American demands, are meeting with a good degree of success. Though by for the largest share of the output of Canadian newsprint mills goes to the United States, an increasing amount is finding its way to other countries.

The market in the United Kingdom has come ahead very fast in the past 12 months. This is not surprising, in view of the fact that English capital has extensive interests in Canadian newsprint mills, especially the Anglo-Canadian Pulp and Paper Company. But on the other hand, there is every reason to believe that English newspapers are looking more and more to Canada to supply their newsprint needs.

The same might be said of the South American countries. As many of the Canadian mills have excellent cheap water transportation facilities, they are in a position to compete for the South American trade. Consequently, several satisfactory markets have been established in the Argentine and elsewhere. In the same territory might be placed the West Indies, which take an increasing amount each year.

During 1928, Canada exported 2,206,587 tons of newsprint. This compares with 1,881,865 tons in the previous year. Of the total shipments for last year, the United States took 1,934,889 tons or an increase of 186,500 tons over 1927. Shipments to other countries totalled 271,698 tons in 1928 a gain of 138,000 tons or more than double the 1927 total.

Market Ever Widening

The itemized returns of exports of newsprint to other countries, show that Canadian producers of newsprint have been very successful in building up "outside" markets for their products. Shipments to the United Kingdom for example increased from 41,601 tons in 1927 to 130,700 tons in 1928. Further particulars as to exports in 1927 and 1928 are shown in the following tabulations;

Canadian Newsprint Exports (tons)

	7 Mos. 1929	7 Mos. 1928
United Kingdom	91,996	40,442
Cuba	6,931	5,962
Jamaica	637	604
Argentina	21,084	27,689
Other Latin America	6,685	1,111
South Africa	8,834	7,085
Australia	36,720	27,454
New Zealand	13,087	10,929
All other	1,184	370
Overseas total	187,158	121,646
U. S. A.	1,228,835	1,111,190
Grand Total	1,409,993	1,232,836

For the first seven months of 1929 exports of Canadian newsprint totalled 1,409,993 tons, as against 1,232,836 tons in the previous year. Exports both for the United States and to "other countries" show an increase. Shipments to markets outside of the United States, are of particular interest,, in that they show a *widening demand for the products of Canadian mills.* Comparing the figures for the first seven months of 1929, with the same period in 1928, shipments of newsprint to the United Kingdom record an increase of over 100 per cent; to Cuba, about 12 per cent; other Latin American countries, 400 per cent; South Africa, 26 per cent; New Zealand 33 per cent; and Australia 33 per cent.

Full details of exports for the first seven months of 1929, together with comparative figures for 1928, are shown below:

Canadian Newsprint Imports (tons)

	12 Mos. 1928	12 Mos. 1927
United Kingdom	130,700	41,601
Cuba	10,147	7,360
Jamaica	945	665
Argentina	47,978	131,268
Other Latin America	3,359	659
South Africa	11,981	6,907
Australia	48,808	46,494
New Zealand	17,267	15,979
All other countries	513	522
Overseas total	271,698	133,455
U. S. A.	1,934,889	1,748,410
Grand total	2,206,507	1,881,865

Paper in Demand

The figures on exports quoted above, of course, only apply to newsprint and do not reflect shipments of other products such as kraft paper, which has a world wide market. Fine papers, cardboard, wallboard and other paper specialties are also marketed in large quantities in markets throughout the world. The United States, of course, will remain Canada's best customer for paper products for many years to come. **The needs of that country are constantly growing and the domestic facilities are inadequate to keep pace with the growing demand, hence the American consumers have come to depend upon Canada to make up the deficit between its own production and consumption.**

Quebec Leads in Pulp and Paper Industry

		Canada	Scotia	Quebec	Ontario	British Columbia	N. Brunswick and Manitoba
Number of establishments	No.	110	6	50	43	6	5
Pulp-mills	No.	33	6	14	9	2	2
Pulp and paper mills	No.	46	......	22	18	3	3
Paper mills	No.	31	......	14	16	1	......
Capital invested	$	685,687,459	5,283,440	376,351,076	220,281,502	47,331,108	36,440,333
Total employees	No.	33,614	325	17,743	10,993	2,855	1,698
Salaries and wages	$	47,322,648	295,849	24,578,601	15,732,781	4,432,572	2,282,845
Fuel and electricity used	$	25,604,433	7,323	13,933,394	9,226,454	1,125,444	1,312,818
Power employed	H.P.	1,459,256	19,828	844,308	430,329	98,095	66,696
Pulp-making materials	$	69,422,248	331,645	38,524,425	21,048,803	4,783,124	4,734,251
Pulp manufactured	$	121,458,078	765,727	67,467,328	35,640,903	8,232,633	9,351,457
Paper-making materials	$	91,451,653	......	54,648,887	29,175,241	5,345,003	2,282,522
Paper manufactured	$	184,462,356	......	104,881,667	59,474,123	14,940,462	5,166,104
Total gross production	$	233,535,326	765,727	127,223,217	74,220,178	18,714,056	12,612,148
Total net production	$	145,070,907	434,082	78,961,021	44,503,618	13,357,054	7,815,132

NEW BRUNSWICK SUPPLIES POWER TO PAPER MILLS

Grand Falls Development Marks Turning Point of Big Schemes

Completion of the Grand Falls hydro electric development, on the Saint John River, N. B., marks the turning point in the greater utilization of New Brunswick's forest resources.

The Grand Falls development is the key factor in the carrying out of the $40,000,000 programme for pulp and paper and power industrial expansion in the province, involving the building of pulp and paper plants on the Restigouche, Upper Saint John and Miramichi river.

Programmes Are Pledged

International Paper Company, Fraser Companies, and Bathurst Paper Company Limited and their subsidiaries, pledged themselves to certain expansion programmes, some of which have been completed and others of which are underway.

International Paper Company commenced construction of a pulp and newsprint mill at Dalhousie, which will involve an ultimate outlay of $15,000,000; it has selected a site for a pulp mill on the Miramichi and has taken steps towards building another plant on the Upper Saint John River.

Fraser Companies has completed a new mill and extensions of plant at Edmundston and has work well underway on a pulp mill at Campbellton and also is committed to constructing a pulp mill on the Miramichi.

Bathurst Power and Paper Company has doubled the output of its present newsprint mill and has completed a 5,500 horsepower development on the Nepisiguit river.

Power Supply Vital

Without the Grand Falls Power development this pulp and paper mill construction and power programme would have been impossible, for power from Grand Falls will operate the plant on the Upper Saint John River and will be carried by transmission lines 125 miles to the plant at the mouth of the Restigouche Co. on Bay Chaleur. At the same time development at Grand Falls did not seem feasible unless the project could go hand in hand with the programme of expansion of the pulp and paper industry.

At the end of September 1928, the first of four units of 20,000 horsepower began operation. The plant is designed for four generators of 20,000 horsepower each, the initial installation consisting of three units.

I. P. Work Underway

Shortly before power was turned on for the first time in Grand Falls, International Paper Company, through its subsidiary New Brunswick International Paper Company, commenced construction of a newsprint plant at Dalhousie on Chaleur Bay on the north shore. This plant is designed for an ultimate daily capacity of 500 tons, and will have an initial installation of two machines with a daily capacity of 250 tons of newsprint paper.

There will be complete groundwood and sulphate pulp making departments at the plant at Dalhousie, so that wood will be carried through all the various manufacturing processes needed in newsprint paper.

Power to operate the Dalhousie mill will be supplied from the Grand Falls hydro electric development, a high tension transmission line about 125 miles long connecting the power house with the mill. As a reserve from which to draw the pulpwood required by the Dalhousie plant, International Paper Company has acquired 2,362 square miles of timber land, an area slightly in excess of that of Prince Edward Island.

Plan Another Mill

In addition International Paper Company has acquired a site at Chatham, for the construction of another mill. This plant will have a daily capacity of 100 tons of bleached sulphite pulp. Steps have also been taken by International Paper Company for the early construction of a pulp mill at St. Leonard, where pulp will be manufactured and be conveyed across the Saint John River a paper manufacturing plant at Vans Duren on the main side of the Saint John River.

The Fraser Companies Limited has contracted to use 20,000 horsepower for its mills in Edmundston which have been added to and expanded, and for a new sulphite pulp mill which is being erected at Athol, near Campbellton.

Fraser's new pulp mill at Athol will be ready for operation before the end of this year. The product of this plant will be used for the manufacture of rayon.

NEW BRUNSWICK FOREST RESERVES WELL PROTECTED

While the observance of Canadian forestry was discontinued throughout the Dominion this year, there is no diminution of the efforts of the various provinces with regard to better methods of forest conservation, and especially at this time along the line of the protection of forests from fire.

In New Brunswick, for example, points out the International Paper "Monthly," the provincial government through its forest service and with the co-operation of the Forest Products industries is doing all in its power to organize for better forest fire prevention.

Since over 90 per cent of the forest fires in the province in former years have been caused by some form of human carlessness, an advertising campaign is now being carried on to point out the dangers. Newspaper advertising is being extensively used, while the schools, churches, radio, service clubs and other organizations are assisting in this educational campaign.

Thousands of fire signs are being posted throughout the forests and sparsely settled areas, drawing attention to the dangers from fire in the forests and the precautions to be taken by settlers in disposing of slash and other debris from land clearing operations. Such slash burning operations must be carried on under strict supervision of the ranger or fire warden of the district and in accordance with the previous practice that fall brush burning be encouraged.

Forest travel will be closely checked by means of forest travel permits issued between May 1 and November 1, while those exempted from the necessity of obtaining forest travel permits will be required to present some form of identification before being allowed to pass. A new regulation this year provides for the establishment of registering stations on the main routes of forest travel, especially in the northern parts of the province, where all persons entering or leaving the forests will be required to give complete information regarding the destination, purpose and duration of their trip.

The province will have at least 22 lookout towers in operation, six more than last year, while others are in the process of erection. Many of these are of steel construction, while all are properly connected with telephone lines and manned by experienced observers, giving continuous service throughout the hazardous periods.

Ten of these towers are owned and operated by the Forest Service; eight are operated co-operatively with the forest products industries in the protection of crown and granted lands; while four are operated solely by companies in the protection of their private timber land holdings.

Twenty-four portable gasoline forest fire pumps, with some 35,000 feet of special forestry hose, and some 200 hand pumps, together with other forest fire fighting equipment stationed at strategic points will be available for prompt action in case of emergency.

Thirteen hundred wardens especially appointed will be available throughout the fire season if required. Five hundred and fifty wardens will be in the employ of the forest service and of the forest industries concerned, while the remainder will carry appointments from municipalities to take care of fire protection on granted or private lands.

Will Forecast Weather

It is expected that six fire weather forecasting stations will be in operation this year, co-operating with the weather bureau in connection with their daily fire weather forecasts. In addition it is proposed to make studies of various forest fire hazards from a fire weather standpoint both in the normal forest, in heavy slash areas, and in connection with any fires which may occur. In this way areas of special hazards may be identified, and special protection given where required.

Since 1923, general conditions with regard to fire hazards have been improving. More attention is being paid to conservation of forest resources through forest fire protection by the general public. Closer utilization of material has led to less logging debris being left in the forest, consequently reducing the fire hazard. Wind-thrown and fire-killed areas are being salvaged yearly, while prolific young growth and budworm killed areas tends greatly to reduce quick run off and keeps the forest floor moist for a long period after rainfall.

ONTARIO WORKS ON CONSERVATION OF FOREST AREAS

Enact Legislation Looking to Safeguarding Timber Limits

The problem of reforestation and conservation of timber lands throughout the Dominion, has engaged the serious attention of the different governments for some time past. The old idea that Canada's forest reserves were inexhaustible has gone by the board, and today the better informed public authorities, pulp and paper interests and others interested in the forest welfare of the country, realize that it is just as necessary to conserve the forests as any other natural resource.

Though the Dominion has led the way in forest conservation, the provinces have not been backward. In this connection, Ontario recently enacted legislation with a view to conserving its forest resources.

The Provincial Forest Act sets apart eight specific areas of a total of 18,606 square miles within which hereafter no land shall be leased, sold or otherwise disposed of for agricultural purposes.

These provincial forests are designated as the Eastern, Temagami, Mississague, Georgian Bay, Sibley, Nipigon, Wannapitae and Kawartha provincial forests, and provision is made that they shall be handled according to the best forestry practice in order to bring them in the course of time upon a sustained yield basis.

The lieutenant-governor-in-council has been given authority by proclamation not only to add to these provincial forests but also to set apart other portions of the public domain for the same purpose.

The minister of lands and forests is also authorized to arrange with holders of timber limits which have been cut over and which are suitable for forest growth, for the surrender of these limits upon the assumption of dues or ground rent or other conditions approved by the lieutenant-governor-in-council.

Permanent Basis Aim

The Pulpwood Conservation Act is an extensive measure designed for the purpose of ultimately placing all pulp and paper mill operations upon a permanent basis.

Every holder of pulpwood lands and every manufacturer of pulp and paper in the province was required to file with the Department of Lands and Forests on or before September 1, 1929, a detailed statement of its capitalization, bond issues, etc., descriptions of all pulpwood leases and grants, wtih a statement of the quantity of pulpwood used annually during the previous ten years, the amount cut from holdings purchased from settlers during the same period, the quantities of pulp and paper made and countries to which exported, a map showing cut over areas and those containing standing timber, together with an estimate of the amount thereof, certified to by a forester, together with a detailed plan by the company for the placing of a supply of pulpwood on the sustained yield basis, so that consumption of wood shall not exceed the production in any one year.

The plan may provide a period of five years in which it is to become effective. It shall also show the rate of natural growth upon which it is based and provisions which the company proposes to make for further supplies in order to reach a substantial yield basis.

Many Small Fires

Sixty-six fires caused damage estimated at between one and one-tenth and five acres, and 21 destroyed between five and one tenth and ten acres apiece.

Small fires likewise did damage between 100 and 500 acres apiece, but only three caused over that extent of damage.

During the course of the year, 45 people were summoned by the Forest Protection Service for breaking the rules, of which two had both fines and costs imposed; four were fined and 19 were ordered to pay the costs of the case. Causes of their being summoned were: Slash burning 25; smudge fires, 2; lack of surveilance, 4; lighting fires before the time, 2; refusing fire warden's request for help to fight forest fires, 5.

Communities Follow in the Wake of Industry

One of the streets in the town of Temiskaming, P.Q., where the Kipawa Mill of Canadian International Paper Company is located. This street is not dissimilar to many others in model communities established by pulp and paper companies.

Canada Leads Nations Selling U.S. Newsprint

Canada's position in relation to the United States in regard to the supply of newsprint paper is one of considerable importance. Imports of newsprint paper into that market in 1928, totalling 2,155,530 tons, were 740,000 tons in excess of domestic production, and constituted 60 per cent of the estimated consumption.

Canada and Newfoundland provide 95 per cent of the imports of 1928 and the European countries 5 per cent. Canadian newsprint came through the more important customs districts in the following order: Michigan, 27 per cent; St. Lawrence, 24 per cent; Vermont, 8 per cent; Duluth and Superior, 7 per cent; Buffalo, 7 per cent. Imports from Newfoundland came about 90 per cent through the Atlantic and Gulf ports, as did those from overseas, although there was a shipment of 11,000 tons from Newfoundland to Oregon and some 16,000 tons went from Scandinavia to the Pacific coast.

In addition to the total of 2,155,530 tons imported into continental United States, there were also 20 tons imported into Alaska, three tons into Hawaii and 1,349 tons into Porto Rico. Details of these importations by customs districts, together with the country of origin, follow:

Customs Districts—	Canada	Nfld.	Sweden	Finland	Norway	Germany	Other	Total
Michigan	580,721							580,721
St. Lawrence	527,720							527,720
Vermont	168,517							168,517
Buffalo	156,006							156,006
Duluth & Superior	151,195							151,195
Washington	70,085	3,293	4,565					77,943
Dakota	64,226							64,226
Chicago	58,867							58,867
San Francisco	38,976		14,809	21	232			54,038
New York	3,291	18,932	5,369	14,033	972	7,545	116	50,258
Ohio	46,603							46,603
Los Angeles	29,130		7,511	97	1,467	11	1	38,217
New Orleans	3,463	13,005		11,167	957			31,702
Galveston	7,984	15,372	3,314	2,405	877			29,952
Virginia	3,220	13,525	845	6,556	556	285		24,987
Philadelphia	1,844	11,290	351	87	127	149		13,848
Maryland		8,315			2,563	849		13,698
Florida	1,150	8,315		2,479	1,311	26		13,341
Oregon	1,203	11,130			73			12,406
Georgia		9,791	2,313		242			12,346
Mobile	480	10,995		171	29	101	62	11,538
Rochester	8,713							8,713
Mass. Connecticut	76		3,806	97	77	25		4,081
Sabine	2,551							2,551
South Carolina			126	488	471	72		1,157
Maine and N.H.				343				343
San Antonio	80							80
Wisconsin	63							63
Tennessee	53							53
Total	1,926,277	114,172	55,568	9,936	9,936	9,161	179	2,155,530

Newsprint Mill Has Strenuous Life

Works Thirty-One Days for Its Owners if There Are No Setbacks

Of the 365 days in the year a typical newsprint paper mill must operate at full speed for 81 days to produce enough paper to pay for labor, according to the News Print Service Bureau. This includes all men from the bush to finished paper. In other words, 26 per cent of the year's activities is required to hire men for cutting and transporting the wood to the mill, preparing, grinding, and cooking it and for operating the machinery and equipment which makes the pulp into paper.

The next 62 days all hands must sweat, wheels hum and pumps throb to make paper enough to buy the necessary wood for the year. The cost of wood in this case being stumpage fees and other expenses, other than labour, in getting the prepared wood into the mill.

Two Months Holidays

Employees must have a few days for rest and recreation, so the plant is shut down 56 days for Sundays and holidays. Machinery and equipment are just simply idle during this time.

A paper mill cannot get along at all without steam and power so the whole organization is kept going at top speed for another 40 days in order to earn enough for steam and power to keep the wheels turning over and to cook pulp and dry paper.

The life of a plant and equipment is, of course, limited on account of wear and tear and obsolescence. The property must be insured against fire and other losses and taxes, like the poor, are always with us. There is interest on bonds and other capital charges. To cover these fixed expenses requires 34 days hard work for the whole layout.

Administration, selling and shipping takes a pretty good block of the year's operations, 31 days' production being necessary to pay for these extra expenses.

Many Incidentals

It takes 15 days operations to cover the expense of miscellaneous materials, such as sulphur, limestone, coloring etc.

A paper machine must be kept in expensive clothing for it to do a good job. This item together with wires requires the gross earnings of ten days operations.

Material for the ordinary every day repairs to machinery and equipment absorb the value of one week's (six days) production.

By the simple processes of adding and subtracting we find that there are 31 days left for the mill to work for its owners, provided there are no shut-downs or slowing ups of operations. It is easy to see that nearly all lost time must come out of this last 31 days.

According to information received from the Dominion Land office here 300,000 acres of land have been taken up in the Edmonton land district

Continuous Wood Grinders

Six years ago the first experimental grinder was being built. Today 182 grinders are in operation producing over 25% of the groundwood pulp that is used in Canada for the manufacture of newsprint paper.

Abitibi Power & Paper Company, Ste. Anne Mill	12
Abitibi Power & Paper Company, Pine Falls Mill	12
Backus-Brooks Company, Kenora, Ont.	6
International Paper Company, Three Rivers, P.Q.	14
International Paper Company, Gatineau, P.Q.	24
International Paper Company of Newfoundland Ltd., Corner Brook	22
Port Alfred Pulp & Paper Co., Port Alfred, P.Q.	22
Price Brothers & Company, Kenogami, P.Q.	14
Price Brothers & Company, Riverbend, P.Q.	20
Spruce Falls Power & Paper Company, Kapuskasing, Ont.	16
Wayagamack Pulp & Paper Company	8
Mersey Paper Co., Liverpool, N.S.	12
	182

Continuous Wood Grinder Co. Limited
P.O. Box 3150
MONTREAL

Canadian Grocer
Drug Merchandising
Made in Canada
Price Protected
The General Merchant
Eastern
Hardware and Metal
Bookseller & Stationer
Sheet Metal
Paint & Varnish
Dry Goods Review
Sanitary Engineer
Data Service
Sherwin-Williams
Men's Wear Review

Eleven Avenues To Better Business

Able to buy and ready to buy, the readers of these eleven business newspapers comprise the greatest concentration of purchasing in the Dominion. These merchants invite and reward intensive selling efforts. They can be influenced in your favor directly, powerfully and at a minimum of expense through the advertising pages of these publications. Here, truly, are provided for you, eleven avenues to better business. Write the individual paper for rates and full information.

Sanitary Engineer
Drug Merchandising
Hardware and Metal
Bookseller and Stationer
Men's Wear Review
Canadian Grocer
Dry Goods Review
Hardware and Metal's Data Service
The General Merchant of Canada
Canadian Paint and Varnish Magazine
Sheet Metal and Warm Air Heating Review

ALL PUBLISHED BY
Business Newspapers Division
The MacLean Publishing Company, Limited
143-153 University Ave. Toronto, Canada

Fam. Players Investors Hear Talking Sequences of Movietone Magnates

But Outlook for Company Remains Unchanged

NATHANSON RESIGNS

Voting Trust Agreement Leads to Unusual Corporate Situation

From Our Own Correspondent

MONTREAL. — The talkies are still predominant in the situation surrounding Famous Players Canadian Corporation.

Out of the plethora of statements, explanations and accusations which have been published in the course of the last week one thing stands clear, namely, that the position of, and the outlook for, Famous Players remains unchanged, except that it has lost the services of its managing director, M. L. Nathanson.

The battle of the movie giants continues. Mr. Nathanson, upholds the rights of shareholders to the strains of Rule Britannia, while Mr. Killam claims that there has been a plot afoot to hit Mr. Zukor, the third voting trustee, below the belt.

"One for all and all for one" can hardly be said to be the slogan of the three voting trustees of Famous Players Canadian Corporation. Internal strife in a company's management is always distressing, but doubtless, further statements will be made which will help to clarify the situation.

Nearly Sold Control

The situation as it appears today is almost Gilbertian.

Six months ago, with much pomp and circumstance, control of Famous Players was brought to Canada by the sale of Paramount's holdings to Canadians. Three voting trustees were appointed to ensure control of the stock remaining in Canada.

Three months later, negotiations for the sale of the company were opened, with the apparent approval of the trustees. Finally, British Gaumont Film Company made an offer of $75 a share for Famous Players stock. However, when the scheme was finally hatched, a substantial American interest in the form of the Fox Film Company, emerged from the Gaumont egg.

Negotiations were broken off when two of the three voting trustees of Famous Players declared themselves opposed to the sale of the corporation. A directors' meeting was held, but no formal offer for the shares was placed before the board. The only business discussed was Nathanson's resignation, which was accepted.

Voting Trust Menaced

Whether the proposition should have been placed before the Canadian shareholders is a moot point. What is more important is the fact that negotiations for the sale of Famous Players should have been undertaken, despite the fact that the voting trust was formed specifically to keep control of the company in Canada.

Mr. Zukor, president of the corporation and a voting trustee, has said nothing to date. In all probability, he is entirely satisfied with the situation as it stands. Mr. Zukor is also president of Paramount Famous Lasky Corporation, which company relinquished its stock of Famous Players Canadian Corporation, through the recent sale of voting trust certificates.

There is a wide distribution for Paramount films in Canada through the channels provided by the chain of Famous Players Canadian Corporation's theatres.

Any affiliation with British Gaumont in which there is a Fox interest would have brought the prospect of further competition from Fox Films one step nearer. Consequently, Mr. Zukor was entitled to view the proposition adversely, both from an ethical and commercial viewpoint.

Yet, as Mr. Killam claims, if proposals were made secretly to tie up Mr. Zukor's powers as a voting trustee, a rift among the three trustees was inevitable. If Famous Players had been sold to a company in which there was a substantial American interest, the whole principle of the voting trust would have been abused.

Control in Canada

It is stated that Mr. Zukor consented to the sale of his company's holdings in Famous Players Canadian Corporation, only on the specific understanding that control of these holdings would remain in Canada. Accordingly, the situation today stands thus: The company has lost the services of an able managing director in Mr. Nathanson, nevertheless it retains two individuals who rank among the biggest interests in the moving picture industry in Canada and the United States.

Earnings of Famous Players Canadian Corporation during the past year have shown a phenomenal increase, the company is a dominant factor in the moving picture industry, in Canada, and the outlook for the future has never been more favorable. Though the recent dissension among the directorate has resulted in a large display of the printed word, attendance figures at the theatres of the corporation continue to break records. It is probable that the current year will witness a further increase over the substantial profits made in the fiscal year which ended August 31, 1929.

New Partner

GEO. W. FORD,
who has been admitted to partnership in investment banking firm of Williams, Partridge & Rapley, Limited.

SHIPPING MEN SEE NO GRAIN TIE-UP FOR VANCOUVER

Elevator Space for 4,000,000 Bushels Still Available

From Our Own Correspondent

VANCOUVER. — Although there are 6,895,000 bushels of grain in storage in Vancouver—more than five times as much as at the corresponding period last year—there is small probability of a grain blockade here, according to shipping men.

The increase in the amount of grain in storage here is, in fact, regarded with satisfaction by officials of the Merchants Exchange. They point out that nearly 4,000,000 bushels of elevator space is still untouched, for the total storage capacity of the port is now 10,400,000 bushels. They interpret the greater supply on hand as an indication of the growing popularity of the port and as a result of crop and price conditions.

The million bushel extension to the Midland Pacific elevator at North Vancouver will not be ready until October 15, according to present hopes of the builders, and will then be filled in a few days. The new elevator of the Alberta Wheat Pool is also having another 2,750,000 bushels storage capacity added, but this will not be available until the end of November.

SIMPSON'S EXTENDING ITS SERVICE

Most of Departments in New Store Have Been Greatly Enlarged

NEW STOCK POPULAR

Both Common and Preferred Widely Placed, Much of It in Hands of Lady Patrons

The entire outstanding capital stock of the new Simpsons, Limited, company, which was offered to investors about the end of June last, has now been listed on the Toronto Stock Exchange. The listing embraces 100,000 shares of 6½ per cent preference stock and 240,000 shares of Class "A" and "B" common. Messrs. Wood, Gundy & Company, who were responsible for the placing of the issues in question, report that these securities obtained exceptionally wide distribution. More than is usually the case, they went into the hands of small holders, a large proportion of whom were women, who took anywhere from five to 25 shares. These purchases were in the nature of a permanent investment, so that it is felt that both the issues have been permanently placed to the utmost advantage.

The six per cent shares of the old Simpsons, Limited, company, which have been called at 105, were formerly listed and were never traded in below the price of 100. The present 6½ per cent preferred shares were sold at 100 with a bonus of one-fifth class "B" shares, which were adjusted at $40 per share. On this basis, the preferred shares had an equivalent adjusted price of 92, at which level they yielded 7.07 per cent. It is consequently felt that, in view of the steady growth in Simpson's business and earnings, together with the attractive yield on these shares, they should prove to be a most desirable investment.

Progress Was Persistent

The Robert Simpson Company, which was the basis for the present greatly extended organization, was established in 1872. During the next 40 years the progress was persistent, resulting in a store which not only commanded the confidence of a wide range of customers but was also a synonym for excellence of products and unfailing adhesion to service. The past ten years have seen very rapid expansion, indeed, and the present company now controls two of the largest and oldest established departmental stores in Canada as well as a Dominion-wide mail order business. The company's stores in Toronto and Montreal are the mecca for a tremendous number of shoppers, who are always sure of the character of the goods offered and their close conformity to the prevailing mode.

Since the new addition to the Toronto store, which now carries the establishment from Yonge to Bay Streets, a particularly long city block, the management has rearranged a great many of the departments, giving not a few of them additional scope for their operations and assisting to no small degree in obtaining the highest degree of comfort to patrons. The lower priced store now extends over the entire basement floor, and here almost everything represented in the other departments may be obtained, this concentration being an aid to those shoppers whose main aim is expedition. There has been no idea in the minds of the management to make this basement floor a dumping ground for products that have become obsolete in other sections; on the contrary, this lower priced store has a separate organization and management, which give the same careful attention to the requirements of patrons as is exemplified in the other parts of the establishment.

Departments Broadened Out

All the departments on the main floor have been broadened out in area, and the attractive display of goods here to be found affords an admirable introduction to the wealth of products and materials to be found everywhere on the floors above. The arcade for window display across the Yonge Street front, which is now rapidly assuming form, will be the last word in promenades of this character, and when fully established, as it is likely to be before the Christmas holidays, will make a direct appeal to all visitors to the city. Particular attention is being given to fostering trade with men and boys, and, with this object in view, these departments have been concentrated on the first and second floors, where fathers and sons will have all their demands met quickly, and effectively.

The Liberty Shop on the second floor will quickly claim the attention of the ladies. Here is to be found the atmosphere of the London Liberty Shop, of which Simpson's are the agents, with its oak panellings breathing the spirit of Elizabethan England. The third floor is set aside for the women and here they may secure an entire outfit, down to the minutest detail, without walking more than a few hundred yards. Emphasis will here be found to be laid on the extent and variety of ready-to-wear products. These include all the new colors, lines and fabrics. The company imports coats and frocks direct from Paris and the leading American centres, so that not a particle of the existing mode is lost. No price penalty is imposed upon those who wish to be fashionable. Original models from Paris and London and New York are here to be found at prices in keeping, but it is surprising how smart and fashionable are some of the copies at prices that will astound any but the initiated. New departments have been provided for shoes for the ladies and millinery. Rest rooms for ladies from the youngest to the most aged are adjacent, together with a quiet room for infants.

Centre for House Furnishings

The fourth and fifth floors are given over to house furnishings, the former being devoted to draperies, wall-papers, and, indeed, everything that enters into the appointments of a home outside of the actual furniture, which is to be found on the latter floor, including period furniture, adapted models and modern designs, all placed in separate galleries to aid in speedy and effective selection. On the sixth floor the picture galleries have been greatly extended, being divided into a series of rooms according to the subjects treated. The Treasure Shop contains the gleanings from seven seas and six continents, a multiplicity of articles unique in design and texture and color. The China store has been greatly enlarged and in it are all forms of ware of this description. The hardware store is on the same floor and here may be bought anything from a colored dishpan to the finest type of stove or refrigerator. In deference to the popularity of radios with the public, the department devoted to these instruments has been greatly amplified.

On the seventh floor are to be found cafeterias and dining rooms. On the eighth floor is a ball room, one of the most commodious in the city, in which 1,200 people have been seated to view the Fashion Parade given recently. The mezzanine floor in this connection has come to be a man's club, in which at the noon hour a large number of business men are wont to foregather to have lunch and talk over prospective deals, current topics or the vagaries of politics as the case may be.

INVESTORS EQUITY BONDS ARE OFFERED

New Investment Trust Sponsored by Toronto Bond House

First public offering is being made of the 5½ per cent first collateral trust gold bonds of Investors Equity Corporation an investment trust of the general management type sponsored by McLeod, Young, Weir & Co., Limited. The corporation was organized in March, 1929, began business on April 24, and as at August 31 had marketable securities and cash deposits in excess of $1,087,788 of which $750,000 was in call and time loans.

Details of the issue follow:

$600.000
Investors' Equity Corporation Limited
5½% First Collateral Trust Gold Bonds
Series "A"

Dated: April 1, 1929. **Due:** April 1, 1949.

Capitalization:	Authorized	To be issued
5½% First Coll. Trust Gold Bonds	$3,000,000	$600,000
Common shares, (no par value) ..	200,000 shs.*	50,000 shs.

*Of these, 12,000 shares are reserved against the exercise of the stock purchase attached to the bonds.

Security: A first fixed and specific mortgage, lien, pledge and charge on cash and securities of a market value aggregating not less than $900,000 and a first floating charge upon the undertaking and all assets of the corporation.

Assets: Corporation begins business with more than $1,050,000 in cash and marketable securities.

Interest: Payable April and Oct. 1 in Canadian gold coin. Redeemable in whole, but not in part at 105 before April 1, 1934, and thereafter at premiums decreasing one per cent per annum until a redemption price of 101 is reached, and thereafter at that price until maturity. Registerable as to principal only.

Warrants: Non-detachable warrants for 10 shares of common per $500 bond at the following prices: At $15 per share to March 31, 1939; at $20 to March 31, 1944; at $30 to March 31, 1949.

Management: Directors include Allan M. Mitchell, pres.; S. C. Holland, vice-pres.; W. E. Young, vice-pres.; M. J. Patton, sec.-treas.; E. C. Cumberland, G. O. Merrill. Subject to control by the board of directors, the corporation is managed by McLeod, Young, Weir & Co. Ltd., who receive as remuneration one-quarter of one per cent, quarterly, of the assets of the corporation less current liabilities.

Offer: September, 1929, by McLeod, Young, Weir & Co., Limited, at 100.

Good Headway Scored By Toronto Elevators

Expectation of Those Close to Management is That Dividend is Likely Shortly on Common Stock

The present fiscal year of Toronto Elevators will terminate on Monday next, and the expectation of the management is that the estimated net earnings, which were set at $200,000 when the company's securities were offered to the public, will be shown to have been earned, or close to $4.00 per share on the common stock.

These earnings represent a full year's operations of the Sarnia elevator and ten months operations of the Toronto elevator, during a portion of which time normal operating conditions did not prevail.

In view of the success which has attended the present year's operations, however, it is felt in not a few quarters that the estimate provided for the year ending September, 30, 1930, is also likely to be realized. In that event the net for the coming year should be $346,000, or approximately $10.36 per share on the common.

There is $1,500,000 of cumulative convertible preferred shares, having a par value of $100 outstanding, and the annual charges upon these amounts to $105,000.

The preferred shares are convertible into common on a basis of 3 for 1, and of these latter there are now outstanding 25,000 shares. So soon as the company pays anything more than $2.50 per annum on the common, it is reasonable to assume that the conversion privilege will be exercised, which will eventually add 45,000 common shares to those presently existing, and bringing the total of common shares outstanding to 70,000 shares.

Net earnings for next year, provided all the preferred shares are converted, will be at the rate of $5.20 per share on the common. No dividend has as yet been paid on the common.

Hope for larger earnings for Toronto Elevators is based upon the fact that the enlargement of the Sarnia elevator, which has increased its capacity from one to three million bushels, is now in commission and that the product of the feed plant on the waterfront in Toronto, which has been in operation for the past few months, has been well received on the part of the consuming public.

OPERATING PROFITS OF RELIANCE GRAIN SHOW MARKED GAIN

Bank Loans Reduced by a Substantial Amount

From Our Own Correspondent

MONTREAL. — Operating profits of Reliance Grain Company for the fiscal year ended July 31, 1929, amounted to $1,049,935 as compared with the previous year's total of $888,936. Earnings on the common stock were equal to $5.11 a share as opposed to $4.44 a share in 1928.

Bond interest and dividend on preferred stock cover one full year, whereas similar charges last year covered seven and six months respectively, as the company was formed in the middle of a fiscal period.

Assets in the balance sheet reveal one or two important changes. Grain and coal are shown at $5,546,862, an increase of $2,000,000 over the 1928 figure. Various additions to plant and equipment are seen in an increase of $200,000 in fixed assets.

Bank Loans Reduced

In liabilities, bank loans have been reduced to $680,015 as against $2,301,927, and the situation in the grain market today is reflected in the substantial increase in the value of stored grain outstanding. This current liability totals $2,726,035 as opposed to $490,945 in the previous year.

Working capital is slightly higher at $1,354,670 with the ratio between current assets and current liabilities standing at a little better than 6 to 5.

Sydney T. Smith, president of the company, commented on the year's operations favorably, but indication of immediate dividend action is lacking. He said in part:

"While at one time it looked as if owing to lack of moisture the grain crops would be almost an entire failure, threshing returns are beginning to show that the country stood the drouth exceptionally well and a much larger quantity of grain has been harvested than seemed possible, and the higher prices and grades of the present crop will do much to offset the loss of value to the farmers through decreased yield."

"Your directors recommend that the balance of the net profit remain at the credit of surplus for the present."

	1929 $	1928 $
Operating profits	1,049,935	888,936
Less: Bond interest ..	120,000	69,534
Depreciation	202,148	155,224
Income tax	57,000	49,411
Bond disct.	30,000	30,000
Organ. expense	......	10,427
Net profit	640,787	574,340
Pref. dividends	130,000	55,740
Surplus for year	510,787	518,600
Prev. surplus	518,600	......
Balance forward	1,029,387	518,600

Public Utility Earnings

Brazilian Traction	1929	1928	Incr.
August	$	$	$
Gross earn.	4,333,460	3,771,086	562,374
Oper. exp...	1,886,436	1,573,582	312,854
Net earn.....	2,447,024	2,197,504	249,520
Agg. Gross from Jan. 1	18,647,514	16,227,293	2,420,221
Agg. Net from Jan. 1	18,647,514	116,227,293	2,420,221

TURNER VALLEY'S PRODUCTION RATE MILLION BARRELS

Fuego Well Near Oyen Indicates Possibilities of New Field

CALGARY.—A total of 118 wells are drilling throughout Alberta, a review of drilling activities reveals. Of this number 46 are outside Turner Valley and of these 46, a dozen are in Turner Valley district. A total of 72 wells are drilling in the valley itself. It is likely that by the end of the year, at least 100 wells will be under way in the valley.

The field is producing at the rate of a little over one million barrels per year, as the total for last month was 97,053 barrels from 34 wells.

While no production figures on Associated will be available from official sources until the end of the month, there is every indication that the new producer will do 600 to 800 barrels per day under normal conditions, in other words this well is apparently capable of as much as any of the famous Home trio. Imperial will start another well on Associated property in the near future. The contract between the two companies calls for continuous drilling until four wells have been completed on the Associated 80-acre lease.

New Area Promising

The strike over the week-end at Fuego well near Oyen is of great significance as it indicates possibilities of an area to which geologists have devoted practically no attention. The gas flow estimated at 15,000,000 cubic feet a day closed off Saturday after considerable black oil and water had been blown out. The well is apparently bridged, but drilling operations within the next few days will likely reveal its possibilities. A total of 25,000 acres of leases in the vicinity of the well has been filed since the strike.

Gas strikes at Vanalta No. 1 on Red Coulee Structure and at Monalta, the latter being located on Montana side of the field, indicate good possibilities of production in that area. Vanalta got 10,000,000 cubic feet per day with crude showings at 2,390 feet, at top of Sunburst sands and oil is expected either in Sunburst or in Ellis Sands 100 feet deeper. Monalta at 1,925 feet has gas with crude showings in stray sands.

Wabash, which has the deepest lime test drilling in the province is at 2,721 feet, a distance of 1,236 feet in that formation.

MacLeod No. 4, which holds the record for deep limestone drilling is now producing around 120 barrels per day from a depth of 5,230 feet and a distance of 1,593 feet in the lime.

Traymore's Savarin Shows Profit Now

Traymore Limited report August profits from the Savarin, Toronto, and the Oshawa Grill far in excess of the expectations of the management. That this increase was not entirely due to tourist traffic is evinced by the fact that September business to date has been practically equal to that recorded in August. The company's new restaurant in the Dominion Square Building, Montreal, is now being equipped and will be ready for occupancy this autumn. This branch has in the past been one of the largest paying units of the Traymore chain and should, therefore, add materially to the earnings of the company.

Operating results of Traymore for the first six months of the current fiscal year have been disappointing owing to the fact that the company's largest revenue producing unit, the Harmony Lunch in Montreal, has been closed pending construction of the Dominion Square Building, and also to the fact that the Oshawa Grill and the Savarin Restaurant failed to reach a paying basis. In contrast to these adverse features, the older units, six in number, have continued to record substantially increased volume, net profits from these restaurants for the eight months of the present year being in excess of 25 per cent over the same period in 1928.

Laundry Machinery Firm Locates Plant in Toronto

The Prosperity Co., Inc., of Syracuse, N.Y., stated to be the largest manufacturer of laundry presses and power garment presses in the world, has formed a Canadian subsidiary to be known as the Canadian Prosperity Co., Ltd., which will begin operations at once with a plant in Toronto. The Toronto Industrial Commission is responsible for the location of this new Canadian industry.

Schedule of Air Mail Service Issued by Board of Trade

MONTREAL.—A complete schedule of air mail services from Montreal to points in Canada and the U.S. has been published by the Montreal Board of Trade. The time table points out clearly the number of hours saved through use of the air mail.

Time saved in the run to Toronto, for instance, amounts to 18 hours, to New York 12 hours, while the saving affected by use of the air mail service to Los Angeles totals 63 hours.

THRIFT STORES LTD. ISSUES PREFERRED WITH STOCK BONUS

Company Operates Retail and Wholesale Grocery Business

From Our Own Correspondent

MONTREAL.—Evidence of the trend towards chain store merchandising is indicated in an offering of 14,000 preference shares of Thrift Stores, Limited, by Hodgson Brothers & Dunton, Limited, Montreal.

The company, incorporated in August, 1929, is acquiring the chain grocery store business formerly carried on by Thrift Stores, Limited, and the wholesale grocery business formerly operated by M. Rudolph, Limited. A total of 31 retail chain grocery stores, now in operation in Montreal, in addition to the wholesale grocery business, has thus been acquired by the new company.

The management will remain in the hands of former officials. Application will be made to list the first preference shares and the ordinary shares on the Montreal Stock Exchange or Montreal Curb Market.

Details of the issue are as follows:

14,000
First Cumulative, Redeemable, Convertible, Preference Shares
Par Value $25

Entitled to 6½ per cent. dividend. Redeemable at $32.50 a share up to September, 1931, thereafter at $30 a share.

Capitalization	Authorized	To be Issued
6½% 1st pref.	14,000 shs.	14,000 shs.
7% 2nd pref., p.v. $10	12,000 shs.	12,000 shs.
Ordinary shs., n.p.v.	57,000 shs.	*20,000 shs.

* 37,000 shares reserved for conversion of first and second preference stock.

Business—Company is acquiring 31 retail chain grocery stores formerly operated by a company of the same name, and a wholesale grocery business operated by M. Rudolph, Limited, both in Montreal.

Earnings—Net earnings of the retail and wholesale business, after depreciation and income tax, but before allowing for interests on borrowing rendered unnecessary by new financing, amounted to $25,800 for the fiscal year ended Dec. 31, 1928. Net earnings for the full year 1929, based on seven months' results, estimated at $48,922.

Assets—Net tangible assets, exclusive of leases and goodwill, equivalent to $30.80 for each first preference share according to the balance sheet at August 3, 1929.

Conversion Privilege — First preference shares convertible at any time into ordinary shares on the basis of two ordinary shares for one preference share.

Voting Rights—First preference carry two votes per share. If dividends are in arrears 13 per cent., entitled to exclusive right of voting. Second preference entitled to 2½ votes per share, subject to first preference exclusive rights, and ordinary shares to one vote.

Offered—September, 1929, by Hodgson Brothers and Dunton, Montreal, at $25 a share, with bonus of one ordinary share with each five preference.

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and Western Canada Oils
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Consider these records of a few Canadian mining stocks:

	Four Years Ago	Three Years ago	Today
Teck-Hughes	$1.35	$3.00	$6.00
Lake Shore	5.80	11.00	23.50
International Nickel .	30.00	36.00	*346.00
Cons. Smelters	85.00	208.00	409.00
Sherritt Gordon	....	.50	7.05
Noranda	.50	14.00	58.35

*equivalent price

Or these even more rapid advances in Western Canada Oil stocks:

	One Year Ago	Today
Royalite	$60.00	$150.00
United	1.50	9.00*
Home	2.00	23.00
Alberta Pacific	.50	3.50

*equivalent price

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